Daily Report

Latin America

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Cuba

Cuba: Russian Group Briefed on Economic Opportunities

PA0604025396 Havana PRENSA LATINA in Spanish 0040 GMT 6 Apr 96

[FBIS Translated Text] Havana, 4 Apr (PL) — A delegation of the Russian Duma (parliament) carried out several activities and met with Cuban officials today during the first working day of their official visit to the island.

The delegation, headed by deputy Vitaliy Sevastiyanov, president of the Duma's mandate committee, came to Cuba honoring an invitation by the National Assembly of the People's Government.

During the visit and during a meeting at the Foreign Investment and Economic Cooperation Ministry, the parliamentarians received ample information on the local economy and the possibilities for foreign investment.

Deputy Minister Octavio Castilla explained the characteristics of the current legislation and detailed the various sectors where it is possible to establish cooperation between Cuba and foreign businessmen.

The deputies also visited the Foreign Trade Ministry, where the harm inflicted on Cuba by the U.S. economic and commercial embargo and Washington's intention to penalize even those countries that desire to hold normal relations with Cuba were discussed.

The Duma delegates had previously visited the Center for Genetic Engineering and Biotechnology, where a group of managers and researchers explained the work carried out there for the country's scientific and economic progress.

Tomorrow, the delegates will travel to Cienfuegos Province to look at the Juragua electronuclear plant, under construction. The plant is an enterprise initiated with the cooperation of the now defunct Soviet Union and in favor of whose completion several Russian authorities have spoken.

The lawmakers, who arrived in Cuba yesterday, will stay in Cuba until 11 April.

Cuba: Castro Tours Tourist Facilities in Province

PA0504163596 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 4 Apr 96

[From the "NTV" newscast — passages within quotation marks are recorded]

[FBIS Translated Text] President Fidel Castro on 2 April toured several tourism facilities in northern Ciego de Avila Province accompanied by Politburo members Carlos Lage, Nelson Torres, and Alfredo Hondal.

Castro first visited the northern coast of Cayo Guillermo, where the construction of a new facility for this important tourist location is about to begin:

[Castro] "The front part of the building is quite small.

[First unidentified speaker] "The lobby is small.

[Castro] "What is in there?

[First speaker] "That place where you are is the kitchen. Where you see the workers over there will be the dinning hall for the villa workers. Those are the bathrooms.

[Castro] "Where do people eat, in the cabins?

[First speaker] "No, in the restaurant, which is right here. The restaurant will be there and will have space for 380 people in an area of 106 square meters. There will be 264 rooms."

Castro visited Villa Vigia, a tourist facility under construction at Cayo Guillermo where workers stressed their commitment to finish the construction of 140 rooms, as part of the first phase of the works, this month:

[Second unidentified speaker] "We finished 32 rooms today.

[Castro] "How many of you are specialized?

[Second speaker] "I am working here [words indistinct].

[Third unidentified speaker] "Out of the workers you see here, I am one of the eldest. I could give my life for this. I have been working in Cayo Coco and am not thinking of retiring yet.

[Second speaker] "The rooms are comfortable. You could close the door, and no sound would enter the room.

[Third speaker] "We built a fence here that has a floor now.

[Castro] "This one?

[Second speaker] "We are now continuing to work from this point. This was built in 12 months.

[Castro] "You built everything in 12 months?

[Second speaker] "No, not everything but, rather, what we are looking at now. The entire project will be finished in 15 months.

[Third speaker] "What is your impression about what you have seen and the work accomplished?

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[Castro] "This is very different from the first one. seems more complex. The finished work will be very impressive.

[Second speaker] "We invite you to come when this is finished.

[Castro] "You are building quite a few. I would have to dedicate [words indistinct]. I can see we have a brigade of young people working here; this is very good.

[Second speaker] "Commander, I would like to shake your hand; this is my lifelong dream. [crowd shouts: 'Long live Fidel!']"

Castro's second stop in Cayo Guillermo was Villa Cojimar, a facility with more than 200 rooms. Italians are the main group of tourists arriving here:

[Castro] "It looks so different from what I saw before.

[Fourth unidentified speaker] "The sand was still covering this area when you came.

[Castro] "You have not been in the sun long enough, because you are not very tanned.

[Fourth speaker] "I do not tan easily."

At Cayo Coco, Castro made a stop at the construction site of the Penon Hotel, which will have more than 250 rooms. Here, Evelio Capote, chief of the Vaquerito contingent, stressed the commitment to finish the removal of land by mid-April.

[Capote] "Everything is under construction. We must finish it by 6 July.

[Castro] "Did you finish the lagoon?

[Capote] "The lagoon used to be here. We filled it, and it crosses through here now.

[Castro] "The beach is here? What about the hotel? How many rooms will it have?

[Capote] "It will have 514 rooms. This hotel will be the largest one built after the triumph of the revolution.

[Castro] "Where will you expand it?

[Capote speaker] "We will build 250 rooms here as part of the second phase of this hotel.

[Castro] "The same hotel?

[Capote] "Yes, the same hotel. This will be a five-star hotel. We would like you to inaugurate it. We are going to build the largest hotel after the triumph of the revolution in the least amount of time.

[Castro] "You changed the lagoon.

[Capote] "Yes, we did, and you will inaugurate it. We will build it in record time."

Castro visited the water treatment plant, which has a daily capacity of delivering 450 cubic meters of water to the facilities at Cayo Coco. Afterward, he went to the La Redonda lagoon of more than 20 square km, north of the Ciego de Avila region. Together with the province leaders he reviewed here the possibility of increasing tourism in this former delta.

Cuba: Restrictions on UN Committee Participation Rejected

PA0504162596 Havana PRENSA LATINA in Spanish 0238 GMT 4 Apr 96

[FBIS Translated Text] United Nations, 3 Apr (PL) — Cuba today rejected any restrictions on its participation in the Special Committee on Peacekeeping Operations (OMP) because it believes any restriction would be detrimental to the equal sovereignty of all states proclaimed by the UN.

Pedro Nunez Mosquera, alternate Cuban ambassador to the United Nations, spoke today during debates at that organization that will continue until 26 April. Nunez added that it would be most proper to open the relevance of that committee to all interested nations, because the responsibility for international peacekeeping and security belongs to all nations, not just those that contribute with troops, services, equipment, and the financial obligation derived from them.

Those who want to contribute should not be relegated to a secondary role, because they can and should make a valuable contribution in that regard, Nunez said.

Nunez expressed Cuba's concern about the perceived imbalance in the representation of developing countries in the OMP, a point which became critical with the practice by certain countries of financing the salaries of their nationals within that organization.

Nunez said that Cuba disagrees with that practice, which contradicts Article 100 of the UN Charter on the strictly international nature of the officials of the committee and that this matter should consequently be corrected.

The fact that this growing trend encompasses more than 50 percent of the entire personnel of the OMP department is having negative effects on the organization, Nunez warned.

Nunez believes this imbalance violates the principle of equal geographical distribution in the makeup of personnel assigned to this committee.

Nunez supported the demands of the Nonaligned Movement to receive a complete report on this issue in order to evaluate all its implications, and he stressed the important contributions that regional organizations can

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make in settling conflicts in areas within their jurisdiction. Nunez clarified, however, that this matter should not cast any doubt on the right of every nation to elevate any controversy to an international level.

Likewise, Nunez believes it is indispensable to separate the OMP's humanitarian aid because it is not within the Security Council's jurisdiction and to prevent it from becoming a pretext for intruding in the internal affairs of a country and making it submit to external pressure.

Cuba: Castro on Letter to Jose Marti Pioneers' Group

PA0504201696 Havana Radio Rebelde Network in Spanish 1800 GMT 4 Apr 96

[From the "National Radio News" newscast]

[FBIS Translated Text] Commander in Chief Fidel Castro has sent a letter to the Cuban pioneers and has told them he is happy, because today is the 35th anniversary of the Jose Marti Pioneers Organization. This organization, he stated, has been faithful to the hopes we have placed in it since its founding.

Our top leader told our pioneers that if he had to tell them one thing on this very special day it would be that the Cuban children should never lose the most beautiful feeling a human being can have; that is, solidarity with and love for other human beings. Fidel counsels the pioneers: You should always feel another person's pain as if it were your own, and tomorrow you will be righteous women and men, just as Marti wanted you to be.

The Cuban president mentioned the reasons the grandparents and parents of Cuban children continue to struggle, even under such difficult conditions as the ones we are experiencing and told the children that adults continue to strive so despair, poverty, illiteracy, and disease do not return.

You can rest assured, Fidel stated in his congratulatory letter to the Cuban children, that we will know how to get ahead despite the difficulties and that we are already doing so. We are obligated to do so, because we owe it to all Cuban children who deserve the best and also because we owe it to the millions of parents in Latin America and other parts of the world who have their hopes set on the struggle Cubans are waging.

In his congratulatory letter to the Cuban children on the 35th anniversary of the Jose Marti Pioneer Organization, our highest leader, Fidel, manifested his pride and complete confidence in all the members of this organization. He added: With you, we will always be certain that our sacrifices and efforts during these years of revolution have not been in vain and that the enormous achievements of our people will be secure.

Fidel ended his letter by stating: I see you in my dreams as the purest patriots of the land that has had the privilege of being your birthplace.

Cuba: Solidarity With Cuba Conference Holds Last Meeting

PA0504205096 Havana Radio Rebelde Network in Spanish 1800 GMT 4 Apr 96

[Report by Isabel Heredia from the "National Radio News" newscast]

[FBIS Translated Text] The Third Latin American and Caribbean Solidarity With Cuba Conference is holding its last plenary meeting today. The conference has been meeting at the International Julio Antonio Mella Camp in the municipality of Havana Cayito since 1 April. Isabel Heredia reports.

[Heredia] By the time this newscast starts, the delegates to the conference will have approved a special resolution to back the striking Pastors for Peace as well as their final statements and general agreements.

The plenary meeting started today with statements by three friends who allowed us to listen to their messages of solidarity with Cuba and the nations of our America.

Sandinist Commander Tomas Borge said that Cuba's history is one of confronting attacks and that the defense of Cuba was an act of decency. Antonio Maceo Brigade member Andres Gomez said: To work and struggle for Cuba in the United States is an extremely difficult task. Brazilean theologist Frey Beto said: To proclaim oneself socialist is to defend life. To give solidarity to Cuba is to give solidarity to the poor people of the world.

Cuba: SRV Front Organizations To Send Rice to Nation

PA0504133696 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 5 Apr 96

[From the "NTV" newscast]

[FBIS Translated Text] Political, social, and mass organizations grouped under the Vietnamese Fatherland Front on 4 April started a new, national solidarity campaign to send no less than 20,000 tons of rice to Cuba. For the third year in a row, the highest division of the Central Committee of the Communist Party of Vietnam is promoting this action to support Cuba despite the enactment of the Helms-Burton law. The Vietnamese Government has already rejected this U.S. law and has stressed its unbreakable solidarity with the Cuban people.

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Cuba: First International Foreign Trade Conference

PA0604175396 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 5 Apr 96

[Report by Yvonne Neurofeu; from the "NTV" newscast]

[FBIS Translated Text] The first international foreign trade and investment conference is being held in Vinales, Pinar del Rio Province. Students, college professors, and businessmen from 12 countries are participating in the conference, which is scheduled to close on 6 April. The conference is being held in an attempt to break the U.S. blockade of our country and to encourage an exchange of ideas and expertise on foreign trade and foreign investment in Cuba. Participants have considered the legal steps to foreign investment in Cuba and the legal system and its protection and have commented on Cuba's commercial registry and the report entitled: Employing Organizations — Advantages and Disadvantages of Their Feasibility in Practice. Participants include delegates from Puerto Rico, Mexico, the Dominican Republic, Spain, and Argentina. Rigo Consultants Executive Director Ernesto Rigoli is from Argentina:

[Begin Rigoli recording] I know Cuba and its people's education and training. Overall, their image abroad is not what we actually observe here. Two attorneys who work for me and who are visiting Cuba for the first time are truly amazed at the high academic level of the discussions at this meeting. [end recording]

The National Union of Cuban Lawyers/Cuban Society of Economic, Financial, and Commercial Law; its board of directors in Pinar del Rio Province; and the Cuban Chamber of Commerce are sponsoring this first international foreign trade and investment conference.

Cuba: Solidarity Meeting Issues Blockade Condemnation

PA0504210496 Havana Radio Rebelde Network in Spanish 1255 GMT 5 Apr 96

[Report by Gisela Bel Heredia; from the "Doing Radio" newscast]

[FBIS Translated Text] The approval of a special resolution in support of Lucius Walker and his companions, who have been fasting for more than 40 days to demand that the U.S. Government return the computers destined for the Cuban medical services network, constituted one of the most significant moments of the last full session of the Third Latin America and Caribbean Meeting of Solidarity With Cuba.

The resolution states that the fast for life is already a victory of the movement of solidarity with Cuba and, especially, of its participants. It has caught the attention of the international public, which has once again revealed the criminal nature of the blockade.

The final document, which was also approved in this session, condemns the U.S. blockade against Cuba and warns Latin American and Caribbean people about the risk of a new military aggression of the empire against Cuba in keeping with the progressive escalation of the blockade, intensified with the approval of the Helms-Burton law.

Speeches were delivered by Andres Gomez from the Antonio Maceo Brigade, by Sandinist leader Tomas Borge, and by Brazilian theologist Fray Beto, who said it is not enough to speak of civil rights.

[Begin Beto recording] It is necessary to learn from Cuban society, from the Cuban Revolution the rights to [words indistinct] as well as the [?right] to show solidarity because through its internationalism, Cuba has taught us that each person is useful [words indistinct] to our revolutionary duties. [end recording]

The document approved by more than 400 delegates contains the principal agreements reached. One of them calls for the need to hold the second world meeting on solidarity with Cuba in 1998.

This morning, the delegates will travel to Pinar del Rio to participate in a solidarity march to Taburete Hill. At night, they will close the Third Latin American and Caribbean Meeting on Solidarity With Cuba.

Cuba: U.S. Said Trying To Change UN Through Blackmail

PA0504205596 Havana Radio Rebelde Network in Spanish 1255 GMT 5 Apr 96

["Our Opinion" commentary, read by Eduardo Dimas Fernandez; from the "Doing Radio" newscast]

[FBIS Translated Text] Good morning. Many years ago, someone — I do not know who — called UN officials UN-ites [Onuteros] and described them as very conceited people who were paid high salaries and received many tax exemptions. They were given fabulous allowances for trips and, therefore, did everything possible to keep their jobs. That is why they usually made no comments and went about their business, strictly fulfilling their missions, even if they knew they were not doing the proper thing.

International news agencies recently reported that the UN administration has decided to eliminate 800 professional jobs in the organization and would even cut

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other jobs in the area of reporting, documentation, and publications as well as in the areas of construction and repairs, telecommunications and translation services for conferences and meetings. This is due to the serious financial situation faced by the United Nations as a result of the debts its members maintain because they have not paid their corresponding shares.

The biggest debtor is the United States with $1.608 billion. According to statistics of the administration itself, this represents 50 percent of what half of the 185 members owe the organization.

It is contradictory that even though the number of members has increased and the role of the United Nations has increased in the world, they are now faced with this crisis situation, which restricts its work. It is evident that the United States is pressuring the United Nations with its debts in order to provoke changes in keeping with its interests.

As is well known, the U.S. Congress, dominated by the Republican right-wingers, believes the United Nations is not an organization that is benefiting its interests. According to Senator Jesse Helms, it is a center of communist propaganda and, therefore, the United States should expel that organization from its territory even though the United States has an influence over the UN Security Council, the decisions of which generally favor its interests.

The truth is that an American, Joseph O'Connor, UN assistant secretary for the administration, is the one in charge of making the cuts and readjustments. The readjustments include the attempt to end the civilian missions monitoring the human rights situation in Haiti and Guatemala, both of great importance.

They are also determined to reduce UN presence in Rwanda, Burundi, El Salvador, and Afghanistan. Another U.S. proposal is to cut the allotments for the regional economic commissions of Africa, Asia, the Pacific, Latin America, the Caribbean, and Europe, among others as well as to merge several institutions and bodies, which would further reduce the organization's personnel and budget.

I believe it is worth noting that for many years, governments of different political affiliations criticized the squandering of money at the United Nations and the privileges of its officials, but now it is not a matter of ending those privileges but of reducing the role of the United Nations at a time in which it is increasingly necessary.

U.S. policy is apparently aimed at maintaining the role of the Security Council and at the same time blackmailing the United Nations with its debt until it becomes a more docile institution with regard to its interests. In other words, the United States wants to diminish the role of the UN General Assembly and of the UN institutions in such a way that they do not represent a threat to its policy.

I am one of those who says that the United Nations is an organization that needs improvement in all areas, starting from its Security Council and the veto right of its five permanent members, which at no time represents the interests of humanity, to the need to strengthen the role of the General Assembly, the organization's truly democratic body, because all countries with equal voting rights are represented there.

The top world organization has many defects and unfair things, but it is the best thing humanity has been able to come up with up until now.

If you want an opinion, if the United States gets its way and changes the United Nations, through blackmail, then it will surely be less perfect, less democratic, and bent on defending only the interests of the most powerful nations. That is apparently the objective. We must now hope they will not get their way.

Cuba: Ceremony Commemorating Pioneers Anniversary

PA0504203496 Havana Radio Havana Cuba in Spanish 1300 GMT 5 Apr 96

[From the "Morning Information Review" newscast]

[FBIS Translated Text] Army General Raul Castro, second secretary of the Communist Party of Cuba, has headed a ceremony commemorating the 35th anniversary of the Jose Marti Pioneers Organization in Havana. Thousands of children and teenagers have gathered at the sports city coliseum in Havana and have enjoyed a program in which young artists and child entertainers performed.

Cuba: Russian Parliamentarians Arrive on Official Visit

PA0504205496 Havana PRENSA LATINA in Spanish 1525 GMT 5 Apr 96

[FBIS Translated Text] Havana, 5 Apr (PL) — A delegation from the Duma (Russian Parliament), which is here on an official visit at the invitation of the Cuban National Assembly, will meet today with leaders of the Ministry of Foreign Investment (Minvec).

The Russian mission arrived in Havana yesterday, headed by Deputy Vitaliy Sebastianov, president of the Duma's Mandate Committee [Comision de Mandatos de la Duma], along with another delegation member,

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Ivan Anischkin, vice president of the Labor Affairs and Social Policy Committee.

The visiting deputies will place a floral wreath at the Mausoleum in memory of Soviet soldiers, and later will meet with Deputy Foreign Trade Minister Octavio Castilla at Minvec's headquarters.

They are also scheduled to meet on Friday with Jorge Lezcano, president of the Cuban Parliament's International Relations Committee and will tour the Center of Genetic Engineering and Biotechnology in the capital.

Other members of the Russian delegation are Aleksandr Tiagunov, vice president of the Committee for CEI Affairs, and area expert Nikolay Frolenkov. The mission will be in Cuba until 11 April.

Cuba: Bank President in Hanoi, Discusses Economic Issues

PA0504235396 Havana PRENSA LATINA in Spanish 1715 GMT 5 Apr 96

[FBIS Translated Text] Hanoi, 5 Apr (PL) — A ranking Cuban official asserted here today that at the conclusion of the first trimester of the current year, the Cuban economy is showing signs that the country will continue on the path to recovery.

Cuban National Bank (BNC) President Francisco Soberon, who was received by Vietnamese Prime Minister Vo Van Kiet, stated his country continues on the path to an important recovery, as can be demnostrated by several statistics recorded at the conclusion of the first quarter of 1996.

The head of the BNC, who also has a ministerial rank, commented on the island's new economic indicators and noted that Cuba had attained close to a 7-percent growth during the first trimester and that this allowed them to maintain the 5-percent estimated growth rate for the current year.

The growth rate was 2.5 percent in 1995 and was preceded by a 0.7-percent rate in 1994, the year when, according to the official, the Cuban economy's abrupt fall was halted.

During his talks with the Vietnamese premier, which lasted almost an hour, Soberon stated that other indicators in Cuba's current economic situation are that there will probably be a more than 30-percent increase in the sugarcane harvest over the previous harvest.

He also stated that it is quite possible that they will be able to obtain historic levels in nickel production this year — one of Cuba's basic export products — or very close to it and that the tourism situation is also very hopeful.

Regarding the latter, Soberon asserted that he expected the sector to grow at least 30 percent over the figure recorded in 1995. The paradise-like Cuban installations are expected to receive approximately 900,000 tourists, although, he clarified, they received close to 200,000s tourist in January and February alone.

Soberon also explained that the financial infrastructure was demonstrating its ability to recoup after a very time-consuming effort, since the Cuban economy received a very severe blow after the fall of socialism in eastern Europe and the breakup of the Soviet Union.

A relative improvement was discerned in 1995, although the overall results were affected by the lowest production rate reported in recent years in the sugar industry, the most important sector. However, in 1996, the sugar industry will be among the sectors that will experience growth, Soberon pointed out.

Soberon added that in external financial matters the situation has been and remains very tense, because Cuba has had to rely on short-term loans as its only alternative.

Soberon added that in internal matters, the fiscal deficit, which is approximately 33 percent of the GDP — about 1 billion pesos (at par with the U.S. dollar at the official exchange rate) has been gradually reduced in the last two years.

Already, in 1995, the fiscal deficit had been reduced to 3.6 percent, and we are striving to reduce it to 2.5 percent in 1996, Soberon indicated.

Soberon emphasized that an improvement in Cuba's internal finances is evident as shown by a 25-percent decrease in the total amount of currency in circulation.

Soberon said foreign loans continue to be a critical factor. Regarding this issue, Soberon denounced the pressure exerted by U.S. officials on international organizations in the financial sector to cut off any possibility of improving the island's situation.

Soberon said the pressure has become more oppressive following the U.S. Government's approval of the Helms-Burton law, which includes clauses that are aimed directly against any possibility of Cuba receiving loans from multilateral financial organizations.

Expanding on the implications of the Helms-Burton law — condemned in various forums because of its extraterritorial nature — Soberon said that, at least for the moment, no intention by foreign investors to withdraw from Cuba has been observed.

Soberon indicated that the overall feeling of the Cuban Government and the businessmen who are already

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engaged in the process is to proceed as usual. Soberon arrived in Vietnam following a tour of Europe, which included Spain, Belgium, France, and Italy.

The Helms-Burton law in impractical because of the complexity and diversification of its scope. However it could have a momentary negative psychological impact on some businessmen, although, during our tour what we have mainly observed is rejection and annoyance because of the extraterritorial nature of the law, Soberon emphasized.

Cuba: Official Forecasts New Self-Employment Regulations

PA0604193996 Havana Radio Rebelde Network in Spanish 1800 GMT 5 Apr 96

[From the "National Radio News" newscast]

[FBIS Translated Text] Provincial Labor Director Carlos Perez Blanco has told Mariela Diaz that new self-employment regulations will soon go into effect:

[Begin recording] [Perez] The regulations should be out soon. The idea is to reregister those self-employed persons who continue to work today. We have been working with tax office comrades in Havana to set up an office in every municipality to expedite the process. We plan to meet with all self-employed workers at the popular council level once the regulations go into effect and to pass on all the details of the new regulations.

[Diaz] Some neighbors of mine are self-employed. The rumor going around — I should said that it used to be a rumor, since I am now going to report it officially — was that self-employment regulations would be restructured. They have asked me if the set annual tax, which rose in some cases, could be lowered in some cases once the regulations are restructured.

[Perez] The Administration Council agreement says that this will take six months. A study will be made and steps will then be taken. These taxes may vary but will not last forever. [end recording]

Cuba: Politburo Delegation Assesses Results in Holguin

PA0604221796 Havana Radio Rebelde Network in Spanish 1800 GMT 5 Apr 96

[Report by Haroldo Garcia; from the "National Radio News" newscast]

[FBIS Translated Text] Jose Ramon Machado Ventura urged Holguin Province to seek new ways to improve work and eliminate obstacles for development at a meeting held just before the Politburo of the Communist Party of Cuba [PCC] ended its visit to this province. Harold Garcia reports on this subject:

[Garcia] At this meeting, the main demand was to stop making excuses to hide mistakes and weaknesses in the performance of today's most important responsibility. Various Politburo members, Central Committee members, as well as ministers and ranking officers of the FAR [Revolutionary Armed Forces] and the Interior Ministry attended this meeting.

During this official visit, the delegation held meetings at seven provincial municipalities, 64 people's councils, agro-industrial complexes, sugar mills, and nickel plants. This represented a direct contact with some 15,000 Holguin residents, from all sectors, with the purpose of observing the people's political and moral disposition, the conditions of agriculture and food, the sugarcane harvest and the recovery of this industry, and other important programs.

The examination of reports indicated a positive balance in Holguin's agricultural production, which can still improve provided seed, irrigation, and other requirements are met. Although cattle raising is now beginning to recover, a larger number of cows is needed to improve reproduction. Other animal protein-producing sectors are still deficient, such as the up-and-coming fishing industry. Meanwhile, the sugar harvest is now stable despite rainfalls, has better yields and prospects for recovery, and has thus far increased production by 70,000 tons — a 35-percent growth in comparison to the same period in 1995. In addition, results were satisfactory in preparing, sowing, and planting for the upcoming sugarcane harvest.

Last year's encouraging results in the nickel industry promise greater growth, even up to 50,000 tons, larger revenues for the state, lower costs, and more efficiency for this year. Division General Ulises Rosales del Toro said tourism in Holguin was down in 1995. On behalf of the Politburo, he urged measures be taken to counteract the deficiencies. In response, the leadership of this [word indistinct] province and of the PCC underlined the basic strategies that have already yielded better results in tourism.

Preferential attention was given to the communities and their residents, particularly those that are far away from urban centers and lack means of communication. Therefore, a strategy was developed on the basis of these observations to solve difficulties and problems in these areas. Although this could not be done immediately due to limited resources, leaders and officials are needed in these areas to explain this situation. The results obtained during the Politburo's visit to Holguin Province have emphasized the compelling nature of the battle

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against subjectivity, the creative resourcefulness of mass activism, and the need for a daily ideological struggle just as the Fifth Plenum of the Central Committee had underscored.

Cuba: Vietnamese PM Meets With Cuban Bank President

PA0604031596 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 6 Apr 96

[From the "NTV" newscast]

[FBIS Translated Text] Vietnamese Prime Minister Vo Van Kiet today said that the Helms-Burton law toughening the blockade on Cuba will backfire and will prompt more support for the island. This is what the Vietnamese prime minister said when he met with Cuban National Bank President Francisco Soberon at the Government Palace. Vo Van Kiet stressed the traditional support for Cuba of his government and the Vietnamese people.

The head of government also told Soberon that Vietnam will comply with the agreements signed to send rice to the island despite the the Asian country's climatic conditions.

Meanwhile, on 5 April it was announced that Vietnamese Commerce Minister Le Van Triet will arrive in Havana on 7 April heading a delegation from his country. The objective of the visit will be to analyze commercial exchange prospects between Havana and Japan [as heard] and new ways to develop these prospects.

Cuba: Medals Presented to Outstanding Youth Groups

PA0604043096 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 6 Apr 96

[Report by Ruben Pinto; from the "NTV" newscast]

[FBIS Translated Text] Starting in April, the UJC [Union of Young Communists] flag will tour all of the municipal units of the National Revolutionary Police Department in Havana. This is the same flag that nine other youth groups received during a ceremony to present the state decorations, which was held on the evening of 4 April and which was attended by Raul Castro Ruz, Communist Party of Cuba second secretary and FAR [Revolutionary Armed Forces] minister, other politburo members, and revolutionary leaders.

In recognition of the determination to continue to establish the new times, a group of our best youths were honored during the ceremony that took place in the official protocol room of Cubanacan [Cuban Tourism and International Trade Corporation].

For those who inspire daily perseverance and heroism, as proposed by the UJC National Bureau in recognition of the special merits done in their time, the Cuban Council of State agreed to present the Julio Antonio Mella medal to Viodel Del Pino, Rigoberto Gonzalez, Rafael Negrin, Alexis Pelegrin, and (Jesus Iler). Raul Castro presented all of the medals.

Likewise, the Jose Antonio Echeverria medal was bestowed upon 10 outstanding youths, cadets, students, and researchers. In addition, doctors, scientists, peasants, sportsmen, machete-wielding workers, artists, and internationalist fighters — 19 in all — won the Abel Santamaria medal.

The Jose Marti Pioneers Organization, taking into account its devotion to the shaping of our children for the more than three decades that the organization has existed, decided to grant the 35-years-of-making-dreams-a-reality seal to a select group of guiding pioneers. Likewise, the UJC granted its highest award — the flag of honor — to 10 groups, including the 6th Congress Construction Contingent, the Remberto Abad Agro-industrial Complex, the Eastern Army, the UBPC's [Basic Cooperative Production Units], La Rosita, and Granma's Juan Manuel Vasquez Hospital.

With this ceremony, we marked the end of a campaign that highlighted the unique courage, devotion, and leadership of the new generations in the course of today's Cuba.

Cuba: Economy Ministry Holds First Nationwide Conference

PA0604173196 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 6 Apr 96

[Report by Hilda Prieto; from the "NTV" newscast]

[FBIS Translated Text] Participants in the Economy and Planning Ministry's first nationwide conference are trying to determine what is behind the 7-percent economic growth rate registered during the first three months of the year and significant growth in the country's most productive industries, including sugar, nickel, and tourism. Minister Jose Luis Rodriguez has said that the 5-percent goal planned for this year could be met if these economic trends continue. However, he noted that this depends on the evolution of the country's complex financial situation and external factors on which the country depends but does not control, such as the prices on oil and sugar.

[Begin recording] [Rodriguez] Overall, conditions nationwide are becoming favorable enough to meet our goals.

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[Prieto] What role is your ministry giving to planning or the annual plan?

[Rodriguez] We are pushing at this conference the importance of planning to economic growth. I explained at the opening of this conference that the economy should reflect the political essence of socialism. Conference participants want to fine-tune the instruments needed for next year's planning and for long-term planning and to perfect control over this year's plan. [end recording]

Officials of the Ministry and of economic bodies, provincial administrative offices of the People's Assembly, and mass organizations are attending the Economic and Planning Ministry's first nationwide conference, which will close on 6 April.

Cuba: Visiting Emigres Protest Alleged U.S. Aggression

PA0604173596 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 6 Apr 96

[From the "NTV" newscast]

[FBIS Translated Text] Cuban emigres who support their homeland on the foreign-relations front are in Cuba to protest heightened U.S. aggression. The emigres include members of the Antonio Maceo Brigade; the Community Workers Association; the Cuban-American Committee for Peace, headquartered in New Jersey; and the House of the Americas, headquartered in New York. They are protesting the Helms-Burton law and the U.S. Government's heightened aggression to satisfy the Cuban-American right wing:

[Begin recording] [Antonio Maceo Brigade President Armando Gomez] Although this complicates our work, we have faced more difficult and complicated situations in the past. Our trip to Cuba is an open act. We want to reaffirm our commitment to this task despite these obstacles. We also come to show our people that they have our total support. [end recording]

These groups have toured U.S. cities and educated citizens in their support of Cuba, despite aggression and threats against them. Heightened U.S. aggression clearly makes it difficult not only for Cubans here but also for Cubans anywhere in the world who want to express solidarity with their homeland.

Cuba: Castro Greets Meeting, Berates Helms-Burton Law

PA0604183796 Havana PRENSA LATINA in Spanish 1539 GMT 6 Apr 96

[FBIS Translated Text] Havana, 6 Apr (PL) — President Fidel Castro has sent a message of greetings to the Third Latin American and Caribbean Meeting of Solidarity With Cuba, stressing that people on this island value this expression of friendship highly.

More than 400 delegates from approximately 25 countries participated in the meeting, held at the Cuban Institute of Friendship with the Peoples (ICAP) from 1-5 April.

GRANMA reports that Fidel Castro's message denounces violations of Cuban sovereignty, ideologically subversive campaigns against the island, and reinforcement of the U.S. blockade through the Helms-Burton law.

It also points out that behind this law "even lies the hidden intention to fabricate excuses for a U.S. military intervention, the call for which extreme right-wing circles in that country have not relinquished."

The message adds: "It is most important to realize that this legal monstrosity is a shameless attempt to dominate and dictate the standards of all countries."

He emphasizes that the Helms-Burton law is not only a detailed plan to destroy the Cuban nation but also an attack on the world and that it sets an extremely dangerous precedent for mankind's future.

"Behind it lies the seething powerlessness of the enemies of the Revolution in light of the economic recovery which, despite everything, we are furthering," Fidel Castro asserts.

The Cuban president also states that to have solidarity with the Antillean island means to have solidarity with all our countries and to defend their more vital and irrenounceable rights.

The meeting closed with 15 Latin American and Caribbean personalities receiving the Friendship Medal for their important talents and achievements. Monsignor Sergio Mendez Arceo (Mexico) and Amelania Vega (Nicaragua) were awarded the medal posthumously.

The forum's final statement also strongly condemned the economic blockade that Washington has imposed on Havana for more than 30 years and the recent signing of the Helms-Burton law, which reinforces that blockade.

A special resolution also expresses support for Pastors for Peace members who have been fasting for approximately 40 days to protest the U.S. authorities seizing a shipment of computers bound for Cuba.

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Cuba: Officials Visit Holguin International Airport Site

PA0604213996 Havana Radio Rebelde Network in Spanish 1800 GMT 6 Apr 96

[From the "National Radio News" newscast]

[FBIS Translated Text] Jorge Luis Sierra, first secretary of the Communist Party of Cuba in Holguin Province, has called on workers to work with maximum intensity, take better advantage of every workday, and exercise strict quality control at the conclusion of an inspection with the persons in charge of building the first international airport in that province. Haroldo Garcia has the report.

[Garcia] With the incentive of finishing [words indistinct] the first place of the award (?for which they are vying) with Camaguey builders engaged in a similar project, the main [word indistinct] work is being completed in Holguin to make sure the late June goal is fulfilled.

Holguin's new air terminal costs 12 million pesos and is being built based on a Cuban project in a region close to the current air terminal, which will be used for local flights. When completed, the modern installation will have all the facilities to handle over 600 passengers at a time. It will house bank branches, several shops, cafeterias, and other services, all of which will provide a major boost to Holguin's industrial and tourist development. For that reason, it becomes indispensable to maintain the strict quality control that the builders responsible for this project are enforcing. Quality is something that Division General Rogelio Acevedo, president of the Cuban Civil Aeronautics Institute, stressed while touring the site.

[Begin Acevedo recording] Quality is indispensable, otherwise you are throwing money away. When you work with concrete, stone, and everything else, (?shoddy work) only lasts 50 years. If you build something without quality you are building a monument to inefficiency. [end recording]

Cuba: Swiss Officials Visits To Broaden Bilateral Ties

PA0704031996 Havana Radio Havana Cuba in Spanish 0000 GMT 7 Apr 96

[From the "Evening Information Review" newscast]

[FBIS Translated Text] (?Guido Olivieri), president of the council of state of the Swiss canton of Geneva, on 5 April arrived in Havana on an official visit to Cuba at the invitation of the island's Public Health Ministry. (?Olivieri), who is also in charge of the health department, said that the objective of his tour of the largest Antillean island is to promote the broadening of ties among the two country's institutions. The Swiss official added that the visit will allow him to learn about the island's scientific and technical capabilities in various fields, including medicine.

Cuba: Russian Duma Delegation Tours Juragua Nuclear Plant

PA0704032196 Havana Radio Havana Cuba in Spanish 0000 GMT 7 Apr 96

[From the "Evening Information Review" newscast]

[FBIS Translated Text] The Russian Duma delegation, which is currently visiting Cuba, on 6 April toured the Juragua Electronuclear Plant, which is being built in Cienfuegos Province. The objective of the visit is to learn about the surrounding area in which the plant, the construction of which was suspended in 1992, is situated. The Russian Parliament delegation also expects to tour other economic and scientific hubs of the island, as well as to meet with Vice President Carlos Lage and other government officials.

Cuba: Lage Says Economic Planning Must Lead to Efficiency

PA0704042396 Havana Cubavision Network in Spanish 0100 GMT 7 Apr 96

[Report by Hilda Prieto; from the "NTV" newscast]

[FBIS Translated Text] Carlos Lage Davila, secretary of Executive Committee of the Council of Ministers, said today that the process of planning the economy the must lead to efficiency. Lage said this today at the conclusion of the first meeting of the Economy and Planing Ministry, which focused for two days on the improvement of 1997 planning mechanisms, long-range planning, and control over this year's economic plan.

[Begin Lage recording] The planning that we need cannot be the planning that we did in the 1980's. I would say that our economy has to be better, more conscientiously planned, taking into account the complexity of our current situation. It should include all sectors, monetary relationships, and activities regardless of their projected income.

Planning is not simply writing down on sheets of paper numbers and production goals. Planning is an exercise of one's intelligence. However, it is not a mechanical process for establishing numbers. It has to been a profound, analytical process of all factors that affect the economic activity of an institution. Therefore, it is

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a complex process of analysis that, in practice, merges one period of time with another. We also have to make progress in viewing the planning of the economy in this way. [end recording]

In addition, Lage referred to the disagreement between the United States and its allies because of the approval of the Helms-Burton law, whose extraterritorial nature put the nations in a position of accepting or rejecting U.S. hegemony, which attempts to economically suffocate Cuba.

[Begin Lage recording] I believe the effort made in our economic battle, our internal economic effort, is the most important instrument that we can develop to counter the effects of the Helms-Burton Law on our country's economy. Time is on our side. As time goes by, and we demonstrate that even under these conditions our country is developing, achieving results, and gradually progressing under difficult conditions, we will be creating favorable conditions for foreign investment in Cuba — better conditions than we have experienced thus far. [end recording]

Cuba: Daily Blames U.S. Blockade for Higher Medical Costs

PA0704210596 Havana PRENSA LATINA in Spanish 1607 GMT 7 Apr 96

[FBIS Translated Text] Havana, 7 Apr (PL) — The U.S. blockade forces Cuba to pay 30 percent above the real cost of medical and pharmaceutical supplies in the international market and raises the risk to ill persons on the island, JUVENTUD REBELDE weekly notes today.

Cuban Public Health Ministry (Minsap) experts cited by the Sunday paper, revealed that close to $30 million out of the approximately $100 million earmarked to purchase medicines are lost because of markups, freights, and even the unfavorable conditions for financial loans.

Vice Public Health Minister Ramon Diaz Vallina, told JUVENTUD REBELDE that Cuba has been banned from the U.S. pharmaceutical market, one of the world's largest and most important, which could be one of the island's top suppliers because of its geographic proximity.

This measure means that Cuban health authorities have to use European and Asian markets (entailing higher transportation costs) and it even forces them to utilize some unscrupulous suppliers who take advantage of the blockade's political calamity to raise the price of products, the official said. According to data provided by Diaz Vallina, there have been occasions in which Minsap has had to pay from 8 percent to 62 percent above the market price, in addition to performing a juggling act — with discretion and patience — to acquire medicine on which human lives often depend.

Under the heading Blockade to the Heart, the newspaper denounces how the blockade that Washington has imposed on Havana for over 30 years hampers the purchase of pacemakers, devices that regulate the functioning of the heart, which are of vital importance to certain patients with coronary deficiencies.

In recent years, the purchase from European companies that supply U.S. pacemakers has led the Caribbean nation to invest annually close to $1 million in an insufficient amount of these devices. Minsap also faced difficulties in obtaining anesthetics — Fentanyl in particular, one of the most widely used by local hospitals — as this is a medicine manufactured by U.S. laboratories. Fentanyl used to arrive in the country more and more infrequently, thanks to the work of middlemen, something that created waiting lists for patients in need of surgery. The production of anesthesia in Cuba solved this problem.

The U.S. policy against the small Antillean state denies physicians the possibility of being informed, the weekly affirmed, citing as an example the recent seizure in California of 400 computers that U.S. group Pastors for Peace was bringing for the Cuban health system. JUVENTUD REBELDE also explained how the U.S. blockade prevents the acquisition of medical magazines, including CURRENT CONTENTS, a compendium of 3,000 medical publications, whose sale to the island was categorically forbidden.

Cuba: SRV Official Visits, Rejects Helms-Burton Law

PA0804012396 Havana Radio Havana Cuba in Spanish 0000 GMT 8 Apr 96

[From the "Evening Information Review" newscast]

[FBIS Translated Text] Vietnamese Commerce Minister Le Van Triet on 7 April arrived in Havana at the invitation of his Cuban counterpart, Ricardo Cabrisas. Le Van Triet said that the objective of his visit is to broaden bilateral relations from this year until the year 2000. The Vietnamese minister also voiced his government's rejection of the U.S. Helms-Burton law, which toughens the blockade on Cuba, adding that the exchange between his country and the island will be strengthened even more with other forms of economic cooperation.

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Cuba: Politburo Members' Activities Through 4 Apr

PA0504144696

[FBIS Report] The following is a compilation of reports on the activities of Cuban Communist Party Central Committee Politburo members monitored through 4 April.

The national meeting held by Cuban working women ended on 28 March with the unanimous decision to unconditionally support Fidel Castro and the revolution. Closing the meeting, Pedro Ross Leal said the report the Communist Party of Cuba presented contains issues that will be analyzed during the 17th Cuban Workers Federation, CTC, Congress. (Havana Radio Havana Cuba in Spanish 1300 GMT 29 Mar 96)

Ross, top leader of the Cuban workers movement, has headed the fourth CTC provincial conference in Santiago de Cuba. This conference has analyzed labor resources, economic efficiency, and the defense of the agricultural and food plan of the sugar sector. He and other delegates have witnessed compliance with the sugar production plan of the Salvador Rosales Sugar Mill. (Havana Radio Rebelde Network in Spanish 1800 GMT 30 Mar 96)

Carlos Lage Davila has held talks with workers of several factories of Holguin Province to learn of their production results, labor stability, and the main production problems workers are experiencing this year. He has verified the process of building and assembling the new 4-11 rice combines. At the 26 of July Heroes sugar mill, he has said the overall integration of Soviet-made tractors is positive and has urged workers and specialists to make efforts to completely eliminate the purchases of rice harvesters and other machinery abroad. Alfredo Jordan, who has joined Lage, has observed the works of the manufacturers of sugar combines and has learned of new combine prototypes. They also have visited Mayabe Brewery, which supplies 95 percent of the beer the national tourist sector consumes. (Havana Radio Rebelde Network in Spanish 1800 GMT 30 Mar 96)

The Manuel Sanguily Sugar Mill, located in Pinar del Rio Province, has become the country's seventh sugar mill to fulfill its sugar production goal. Jose Ramon Balaguer has sent a letter of congratulations to the sugar mill's workers. CTC Secretary General Ross also has congratulated the workers. (Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 31 Mar 96)

Jose Ramon Machado Ventura has visited the Peru Agro-industrial Complex during his tour of Las Tunas Province's economic hubs. The Majibacoa Sugar Mill workers have stressed their commitment to fulfill the sugar production plan by 22 April. He also has reviewed the overall program to eradicate the marabu weed from Las Tunas grassland. (Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 31 Mar 96)

First Cuban Vice President Raul Castro has received a mask of distinguished Cuban revolutionary Julio Antonio Mella, who was murdered in Mexico in 1929. Castro has said no one can say someone made more than Mella did in such a short time. (Havana Radio Havana Cuba in Spanish 0000 GMT 1 Apr 96)

Ross has said the priority tasks of the Cuban workers movement are to strengthen grass roots sectors, to defend the revolutionary works, and to continue fighting for economic efficiency. He has closed the CTC conference held in Santiago de Cuba Province. (Havana Radio Havana Cuba in Spanish 0000 GMT 1 Apr 96)

Fidel Castro has visited the Brazil Sugar Mill, located in the municipality of Esmeraldas, Camaguey Province. He has learned of the new sugarcane harvest strategies of Camaguey residents. Jose Ramon Machado Ventura commented at the end of Castro's visit. Machado has said they have observed a high degree of team spirit, which is needed to successfully end the sugarcane harvest on 15 May, in all Camaguey sugar workers. (Havana Radio Rebelde Network in Spanish 1800 GMT 2 Apr 96)

In an address to the Third Latin American and Caribbean Meeting of Friendship and Solidarity With Cuba, Ricardo Alarcon has said in Havana the U.S. Government's resolve to destroy the revolution and to eliminate Cuba via the Helms-Burton law will fail because of the Cuban people's unity and resistance. (Havana Radio Havana Cuba in Spanish 1300 GMT 3 Apr 96)

Juan Almeida Bosque took part in an event at the Expocuba Fair, inaugurating an exact replica of the home where Cuban hero General Antonio Maceo was born. The replica of Maceo's home will remain in exhibition until 1998. (Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 3 Apr 96)

Esteban Lazo and other Central Committee leaders have taken part in an event in Havana to register more than 150 youngsters as new members of the Union of Young Communists. (Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 2 Apr 96)

Alfredo Jordan Morales has participated in an event in the province of Granma to motivate rice growers about to prepare 2,300 caballerias for rice planting activities scheduled to take place beginning 20 April. (Havana

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Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 2 Apr 96)

Alfredo Jordan has said in Pinar del Rio at the completion of a working visit that the province is able to revert the unfavorable results it was showing in food production. Pinar del Rio was the only Cuban province whose agricultural production declined during 1995. (Havana Radio Rebelde Network in Spanish 1255 GMT 29 Mar 96)

Cuba: Roundup of Sugarcane Developments Through 7 Apr

PA0804010396

[FBIS Report] The following is a compilation of reports on sugarcane and sugar industry developments in Cuba monitored through 7 April.

A series of decisive efforts in the sugarcane harvest from 21 to 24 March has done away with the stagnation that took over the harvest following the heavy rains in Villa Clara Province. The sugar grinding was at 85 percent of the potential average; sugar production broke a record for this harvest with more than 7,000 tons daily; and yield and recovery rates were once again excellent. The Carlos Balino, which already fulfilled its production plan, the Hector Rodriguez, and the Jose Rene Riquelme, among other sugar mills, are among the outstanding agro-industrial complexes. Their grinding capacities were at more than 95 percent. Miguel Diaz Canel, first Communist Party of Cuba, PCC, secretary in Villa Clara, congratulated all those who made the harvest a success. No one doubts that Villa Clara Province will fulfill its sugar production goals on time. (Havana Radio Rebelde Network in Spanish 1255 GMT 26 Mar 96)

Matanzas is undoubtedly one of the most important provinces as far as sugar production is concerned. There is a lack of sugarcane, however, stemming from heavy rains. Sugar Industry Minister Nelson Torres said that the province had limited resources in early 1996; however, the sugarcane harvest has progressed well. (Havana Radio Rebelde Network in Spanish 1255 GMT 26 Mar 96)

The lack of sugarcane has also hit Santiago de Cuba Province hard. In addition, the low productivity of the labor forces is another problem. At this time, all of the province's sugar mills remain at a standstill due to a lack of sugarcane. In short, the labor force's low productivity, a lack of spare sugar combine parts, and harvest losses are having its toll on the province's harvest. The Salvador Gonzalez Sugar Mill is working at an 81-percent capacity, and the province has a yield rate of 11 (not further identified) and a recovery rate of 86.41 percent. (Havana Radio Rebelde Network in Spanish 1255 GMT 26 Mar 96)

The Peru Sugar Mill, which is located in Jobabo municipality, Las Tunas Province, is intensely working to fulfill its sugar production goal by 31 March. Workers from 74 organizations and 15 unions are cutting sugarcane at a rate of more than 70,000 arrobas a day. Leandro Torres, a member of the PCC Provincial Bureau, asked these men to cut 100,000 arrobas a day for the next three days. (Havana Radio Rebelde Network in Spanish 1800 GMT 27 Mar 96)

Approximately 80 percent of Ciego de Avila's sugar production has been exported through the Palo Alto port. In February, port efficiency was at 81 percent, and 100 percent of the sugar exports plan was fulfilled. In March, the efficiency rate was 90 percent, and the exports plan is expected to be exceeded by 117 percent. This first stage is estimated to have generated 80 million pesos. (Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 1 Apr 96)

Guantanamo Province has surpassed last year's sugar production, as on 30 April (as heard) it reported that 67,646 tons of sugar had been produced. This achievement took place 30 days earlier, as compared to the 1994-95 sugarcane harvest, and by using 4.521-million less arrobas of sugarcane, which is the result of a better labor force and a 100-percent recovery rate. (Havana Radio Rebelde Network in Spanish 1800 GMT 2 Apr 96)

The Jose Nemecio Figueredo sugar mill complex, located in Rio Cauto, became the second Granma mill to meet its sugar cane production. After failing to meet two consecutive production targets, on this occasion the mill was not only able to meet its target six days prior to an preestablished deadline, but also accumulated 66 uninterrupted work shifts. During 68 continuous days of harvest, the Jose Nemecio Figueredo sugar mill produced 24,640 metric tons of sugar. Granma Province, with 11 sugar mills in operation, has so far been able to accumulate nearly 19,824 metric tons over what was produced during last year's harvest, and 52,000 more metric tons over 1994 harvest. (Havana Cubavision Network in Spanish 0100 GMT 7 Apr 96)

Ciego de Avila Province was able to meet its first quarter sugar planting goal by sowing 364 caballerias. Unfortunately, delays are still taking place in the land preparation phase of the operation and measures are now being adopted to quell these interruptions. Nevertheless, progress has been made in other phases, for example, more than 95 percent of land in need of reconditioning has already been cultivated. (Havana Cubavision Network in Spanish 0100 GMT 7 Apr 96)

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The Cuban sugar industry has been able to produce 3.3 million tons of sugar, an amount similar to what was produced in 1995 during the entire harvest. This production was accomplished by using 273,000 arrobas of sugarcane less than what was used during the last harvest. Production yielded during this harvest has been estimated at 11 percent, one point over last year's. (Havana Radio Rebelde Network in Spanish 1800 GMT 4 Apr 96)

Villa Clara Province's 25 sugar mills have surpassed last year's 385,000-ton sugar production level, and are planning to continue operating for one more month to surpass this level by 1 May. This production target was accomplished by using 58 million arrobas less than last year due to the efficiency measures adopted during the harvest. (Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 3 Apr 96)

Haiti

Haiti: Education Agreement With IDB Rejected

PA0504172596 Port-au-Prince Signal FM Radio in French 1130 GMT 4 Apr 96

[From "The Waking Up Newscast"]

[FBIS Translated Text] The majority of the National Assembly on 3 April rejected the agreement on education between the Haitian Government and the Inter-American Development Bank [IDB]. Seventeen senators and six deputies voted for the agreement with the IDB while 26 other deputies abstained, and 35 disapproved it.

National Assembly Vice President Samuel Madistin, who voted for the agreement, has commented on the numerous negotiations aimed at reaching approval of this agreement:

[Begin Madistin recording] The agreement itself was totally inadmissible in its initial form, but we made negotiations and managed to prompt the IDB to make concessions based on these negotiations. We managed to obtain funds that were reserved for the training of teachers. We recovered those funds for state management. Of $17 million earmarked for the private sector, we brought to the government side more than $10 million-$12 million.

In politics, we believe one cannot always get what one wishes. We believe we should wholeheartedly approve this agreement; after all, the government has negotiated and has signed a set of contracts. Based on the reservations we had expressed and these concessions that had been made, this contract seems to be one that is, nevertheless, the most reasonable.

The Senate believes political wisdom requires us to accept this agreement with stipulations, with the concessions so we may take a step forward in the other types of agreements that will [words indistinct]. [end recording]

It seems that the Haitian parliamentarians' disapproval of this agreement has impeded the awarding of 90,000 National Sponsorship Fund scholarships. Distribution of these scholarships was awaiting the end of the deadlock at Parliament over this agreement between the Haitian Government and the IDB. Antoine Levelt, head of the National Sponsorship Plan, had called on the parliamentarians to help young Haitians gain access to education by approving this $17 million loan agreement.

Haiti: Convention on Women's Rights Approved

PA0504194796 Port-au-Prince Signal FM Radio in French 1130 GMT 4 Apr 96

[From "The Waking Up Newscast"]

[FBIS Translated Excerpt] The Inter-American Convention on the Punishment, Prevention, and Elimination of Violence Against Women has been approved at the Legislative Palace. Sixty-four of 84 votes have approved the convention. To approve this convention, the two branches of the Legislative Palace were obligated to meet in assembly. [passage omitted]

A group of women met at the same time at the Ministry of Women's Affairs and Rights to present its cause to the general public so an end can be put to the numerous violations of women's rights. [passage omitted]

This unexpected visit of Haitian head of state Rene Garcia Preval to the Ministry of Women's Affairs should be noted. Apart from the approval of the convention, Preval promised the Haitian women his full support in their struggle for the respect of their rights. Preval has said he is aware of the various problems Haitian women experience.

Haiti: National Time To Be Moved Ahead by 1 Hour 7 Apr

PA0504192196 Port-au-Prince Signal FM Radio in French 1130 GMT 4 Apr 96

[From "The Waking Up Newscast"]

[FBIS Translated Excerpt] The national time will be moved ahead by one hour as of 0000 on 7 April until 0000 on 27 October. [passage omitted]

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Mexico: Post-Electoral Violence Claims 4 Lives in Oaxaca

PA0604020296 Mexico City Radio Red Network in Spanish 0000 GMT 6 Apr 96

[Report by Samuel Gomez; from "The Night Monitor" newscast]

[FBIS Translated Text] The post-electoral violence again reached a critical point in Santiago (?Oyic) and (?Tepecoahuila), Oaxaca State, where members of the Party of the Democratic Revolution [PRD] and Institutional Revolutionary Party [PRI] had a shootout that resulted in four dead and several badly wounded.

According to preliminary PRD reports, Pedro Carmona Vasquez, president of the PRD municipal committee, his secretary Leocadio Cruz, and the PRI's Martiniano Cruz Carrera and Eustorgio Cruz Salinas died during the confrontation.

The report was confirmed by Jorge Guzman, municipal president of Santa Catarina Coahuila. Guzman says the situation is still tense and recalled that this is the third confrontation in the past three days. This situation resulted from the 12 November post-electoral conflict, when the Chamber of Deputies' electoral college canceled the elections because of various irregularities. In view of this decision, the members of the two parties had a shootout.

The state's prosecutor's office has not reported the incident. PRD Deputy Norma Reyes Teran has requested the state government's intervention because the situation is tense and there are no communications between this place and the capital.

Mexico: Immigrant Deaths at U.S. Authorities' Hands Noted

PA0704151396 Paris AFP in Spanish 1529 GMT 6 Apr 96

[FBIS Translated Text] Mexico City, 6 Apr (AFP) — LA JORNADA reports on 6 April that the Foreign Secretariat has issued a document confirming that 100 undocumented Mexicans died and 70 were wounded at the hands of U.S. policemen and citizens from 1989 to 1995. Mexicans were outraged a few days ago after watching a private U.S. television station's clip of police brutally beating three Mexican immigrants. Mexican television aired the dramatic scenes for several days, with two policemen clubbing three defenseless immigrants in an effort to force them to lie down on the ground. LA JORNADA reports that U.S. authorities do not report to Mexican consular offices the results of inquiries into most of the attacks on Mexicans and that 70 percent of the attacks go unpunished. LA JORNADA adds that in most of the 100 homicide cases, "no crime or offense of any nature had been perpetrated for the policemen and U.S. civilians to fire their weapons or beat our fellow citizens." A total of 1.3 million Mexicans cross the border illegally every year, looking for work mainly in California where the laws against undocumented immigrants have been tightened.

Mexico: Human Rights League Protests 'Aggressions'

PA0704043196 Mexico City NOTIMEX in Spanish 2028 GMT 7 Apr 96

[FBIS Translated Text] Merida, 6 Apr (NOTIMEX) — The Mexican League for the Defense of Human Rights (Limeddh) today held a demonstration in front of the U.S. Consulate, in the capital of Yucatan state, to protest aggressions against Mexican emigrants to California.

Francisco Lope Avila, secretary general of Limeddh's National Executive Council, announced that the league members will meet with nongovernmental organizations to demand penalties against the Riverside County police officers who attacked the Mexicans.

During the protest, which lasted nearly two hours, Lope Avila underlined the importance of uniting the various governmental and social sectors to improve living conditions in Mexico.

"This will make it possible to end, once and for all, the myth that in the United States there are better jobs and better living conditions that cannot be found in Mexico," he said.

He said that Mexicans should meet the crisis with greater solidarity, work, and effort to create a genuine nationalism that would make it possible to reinforce the country's economic situation.

Aggression against Mexican emigrants by U.S. police officers is an everyday occurrence at the Mexico-U.S. border, he said.

He called on Mexican authorities to eliminate the gangs of criminals called illegal alien smugglers and reiterate before U.S. authorities the Mexican authorities' protest against the incident.

Mexico: Article Views Survey on 'National Values'

PA0404194996 Mexico City PROCESO in Spanish 1 Apr 96 p 41

[Article by Hector Aguilar Camin: "Mexicans of the Nineties"]

[FBIS Translated Text] A study on national values conducted in June 1994, with the title "Mexicans of the

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Nineties," whose figures and percentages are the most recent and ambitious attempt to depict Mexican society, is currently in circulation. The political profile which emerges from these numbers is that of a citizen who favors statesmen and presidents, who, nevertheless, each day believes more and more in elections and parties. He is not fanatical about obeying the law: He is a Roman Catholic in religion, but secular in his politics; in favor of gradual change; and inclined to part with the ideas of the Mexican Revolution. (Footnote) ("The Mexicans of the Nineties," Institute for Social Research, National Autonomous University of Mexico, 1996, p 207)

State, Government, and President

According to this picture, today's Mexican continues to see the president of Mexico as the most significant public figure (77 percent). Mexicans also see the government as the fundamental factor for economic well-being, change, and the solution to social problems. Forty-nine percent of Mexicans believe that to achieve the country's well-being, the most important factor is that the government should know how to lead. Forty-four percent believe that to change things in Mexico, the government must be changed. Fifty-two percent believe that the main function of the government is to solve social problems. Even though only 15 percent believe that a fundamental task of government is to administer public companies, 48 percent are against privatization.

All this reaffirms that Mexicans still favor and endorse patronizing statism, an old feature of our national political culture whose main aspects apparently have not changed as a result of the recent modernization process based on the reduction of state interventionism.

Law and Lawlessness

The Mexican citizen of the nineties is not very strict as far as respect for the law is concerned. Only 65 percent believe that laws should always be obeyed, while 29 percent feel that on the contrary, laws must be disobeyed, if they are unfair. (The percentage increases to 34 percent in groups within the 25 to 35 age bracket). Consonant with this position, 53 percent of Mexicans approve the blocking of roads as a way of protest or to make legitimate demands. The contempt for the law has its ramifications on the subject of respect for human rights: Only 57 percent disagree with "torturing a person accused of raping a woman to obtain a confession."

Despite this tolerance for illegality, the number one factor that Mexicans value in choosing the place where they will live is that it should have security and justice (48 percent), even more than work and business (33 percent). Mexicans of the nineties believe that the main factor affecting stability is not poverty (33 percent) but not punishing those who violate the law (36 percent). They also believe that one of the worst things that can happen to anyone is to be the victim of acts of injustice or abuse of authority (33 percent). All this seems to imply that for a significant part of Mexican society law is not an obligation under extenuating circumstances: I resent and protest the violation of laws when it affects me; I tolerate and approve those violations when I need to make justice to myself.

Elections and Parties

Political parties have become the second influential factor in public life (66 percent), after the president (77 percent). Besides, 82 percent of Mexicans believe in universal suffrage, 62 percent feel that clean elections are the most important aspect of democracy, and 44 percent believe that voting is the best way to influence the government. The Mexican citizen of the nineties wants pragmatic, non-ideological political parties. In that sense, 63 percent believes that parties should change their programs adjusting them to the voters' preferences, instead of maintaining invariable principles (28 percent). The opinion that society had in June 1994 about alternating power was very favorable to political parties. Half of those interviewed felt that an opposition political party could govern the country if it won the elections. Approximately 28 percent still felt that only the PRI [Institutional Revolutionary Party] was capable of governing.

Religion, Change, and the Mexican Revolution

Although 89 percent of Mexicans practice a religion, and 92 percent are Catholics, 76 percent of those interviewed disagreed with priests discussing politics during religious services (only 13 percent said they agreed). There also seems to be a broad consensus in the country regarding the time frame in which changes should take place: 89 percent believes things should change slowly, while 11 percent would prefer quick changes. Mexican society also seems to want new ideas: 51 percent believes the government should leave behind the ideas of the Mexican Revolution.

Those are the most outstanding aspects of the survey. There are many others. One of them is surprising, because it reflects an unexpected optimism. Out of pride, illusion, ignorance, or self-indulgence, Mexicans of the nineties value favorably the life they have had: Only 19 percent said they were not satisfied, while 54 percent said they were satisfied, and 18 percent very satisfied. Is that true?

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Mexico: Zedillo Submits National Development Plan Report

PA0404201096 Mexico City XEW Television Network in Spanish 0400 GMT 2 Apr 96

[Report by Gabriela Resendez; from the "24 Hours" newscast]

[FBIS Translated Text] President Ernesto Zedillo today sent the Chamber of Deputies the first report on the implementation of the National Development Plan 1995-2000. It is a 501-page document that includes five chapters: Sovereignty, For a State of Law and a Country of Laws, Democratic Development, Social Development, and Economic Growth.

In the chapter dealing with economic growth, the president of the Republic emphasized that the measures adopted by his government to counter the economic crisis received a sign of confidence from foreign investors. This allowed a return to international markets with the placement of bonds totaling $6.5219 billion in the German, Swiss, French, and Japanese markets.

He also reported that $26.797 billion of the $50.5374-billion financial support package negotiated with international financial authorities, the United States, and Canada were used during 1995. Also, 43.9 percent of these resources, approximately $11.5 billion, were used by the federal government, particularly for the exchange or renegotiation of liabilities, or short-term debts, and to strengthen the financial system. The remaining 56.1 percent was channeled to the Bank of Mexico to restore international reserves, and support the foreign exchange rate's stability.

The net foreign public debt, including the Mexican Government's liabilities and assets abroad, increased by $13.426 billion in 1995, and it totaled $90.316 billion by year's end.

In other chapters, President Zedillo stated that the impact of the economic and financial crisis on employment, and the deterioration of pay, has no precedent in Mexico's contemporary history. He emphasized that the economic emergency resulted in a substantial decrease in fixed gross investments and the closure of employment sources, which required the establishment of special social development programs.

The unemployment rate in the second half of 1995 was 4.7 percent, which represents 1,677,416 persons who did not work a single hour in a week, even though they looked for a job.

The report was officially received by the Chamber of Deputies on Monday.

Mexico: Senate Approves Law Authorizing Phone Tapping

PA0404235396 Madrid EFE in Spanish 1738 GMT 2 Apr 96

[FBIS Translated Text] Mexico City, 2 Apr (EFE) — The Mexican Senate has approved a new law against organized crime in which telephone "tapping" is authorized exclusively for cases in which serious crimes are being legally investigated.

The Institutional Revolutionary Party (PRI, in power), the National Action Party (PAN), and the Party of the Democratic Revolution (PRD) proposed restrictions to prevent the secret use of technological equipment in criminal investigations without expressed consent.

The new law reforms five articles of the Constitution with "padlocks" (restrictions) so that the violation of constitutional guarantees are not committed.

Still left to be decided is the judicial authority in charge of approving the use of the telephone "tapping" equipment.

The new law against organized crime also made changes to the regulations on the provisional release of prisoners and denies such a benefit to those found guilty or sentenced for serious crimes.

The text of the law states that the purpose of the new norm is "to attain the greatest equilibrium between the individual guarantees and the need for the state to have better legal instruments to fight organized crime."

The PRD congress said they were concerned because despite the "padlocks," the authorities may commit violations of individual guarantees with the legal modifications and may use this measure illegally against members of the opposition.

Up until now, Mexican laws had banned the tapping of telephones because it violated the right to privacy, however, this practice has reached the highest levels of power due to the impunity and lawlessness with which police and intelligence bodies act.

A telephone tapping case created a scandal last May when a Mexican newspaper revealed the telephone conversations of the former chief of the office of the presidency, Jose Cordoba Montoya, considered the "number two" man in power.

Investigations of the case revealed that the telephone lines of the adviser to former President Carlos Salinas de Gortari at the official residence of "Los Pinos" had been tampered with, causing various sectors to speak in favor of the need to pass legislation on telephone espionage.

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Mexico: Officials Reject Mexicans' 'Beating' in U.S.

PA0504221396 Mexico City LA JORNADA in Spanish 4 Apr 96 p 1

[Report by Triunfo Elizalde, Elena Gallegos, Nestor Martinez, and Jose Antonio Roman — received via Internet]

[FBIS Translated Text] Mexican legislators, and social and religious leaders yesterday agreed that the beating of three Mexican illegal aliens by California Policemen is a result of the atmosphere of racism and xenophobia that prevails in various sectors of the U.S. society; adding that a civilian lawsuit must be filed given the various forms of violence encouraged against migratory workers.

Jorge Madrazo Cuellar, chairman of the National Human Rights Commission (CNDH), said that the aggression "is encouraged by feelings of racism and xenophobia" among public officials and even "among social groups in the United States."

Interviewed in a television newscast, he emphasized: "I believe impunity is intolerable here and anywhere else in the world because it supports the perpetration of more crimes and violence, and it encourages the violation of human rights."

He added: "We must all struggle to make the world understand the degree of migrant workers' vulnerability, and we must be more emphatic in the defense of their human rights."

Madrazo said that the U.S. Government has a responsibility, at federal and state level, to make sure that these feelings of discrimination, xenophobia, and racism are not bolstered, supported, and encouraged by the authorities, and to punish these actions as strongly as the law allows.

He believes that most of these violent actions "remain unpunished and impunity favors and encourages the perpetration of other human rights violations," so the Foreign Ministry protest must be monitored to guarantee that the correct sanctions, which were established by the law for these cases, are enforced in a legal process; and, obviously, so that it is not a mere administrative sanction."

Moreover, the Chamber of Deputies' Foreign Relations Commission announced a civil lawsuit will be filed to obtain a compensation for damage to the fellow citizens who were "brutally" beaten by agents of the Marshall's Office in Riverside County, California. Also, the U.S. Department of Justice will be asked to conduct an investigation for human rights violations.

Legislators from all parties agreed that the California police department, encouraged by Governor Pete Wilson, exercises an unacceptable violence against illegal aliens on a daily basis.

PRD [Democratic Revolutionary Party] member Armando Quintero said Wilson's arrival was accompanied by an atmosphere of intolerance against our fellow citizens and the Mexican Government is duty bound to demand much more than a simple explanation about this campaign.

PRI [Institutional Revolutionary Party] member Maria Elena Irizar said that an anti-immigrant atmosphere of repression prevails in the United States and this is not consistent with a country that claims it is democratic; whereas PAN [National Action Party] member Rodrigo Robledo recalled that Wilson's government has provoked an atmosphere of insecurity for Mexicans and Latins in general since 1994.

The PAN legislator said: "It seems that the U.S. border patrol are looking for prey to receive awards."

PRI Deputies Augusto Gomez Villanueva and Carlos Reta Martinez, Foreign Relations Commission chairman and member, respectively, said that the U.S. authorities' lack of attention to reports about violations of immigrants' human rights is worrisome.

They said that events like the one that occurred a couple of days ago in Riverside is "part of the long list of offenses that provoke tension in relations between the two countries." They termed as "deplorable" the fact that xenophobic feelings are being sponsored within the development of the electoral campaign in the United States.

The PRI members announced this is one of the main issues that will be discussed at the next interparliamentary meeting to be held in Zacatecas on 3-4 May. The Mexican legislators will also have a preliminary meeting with U.S. representatives on Monday where they will discuss this issue.

Moreover, Jose Angel Conchello, president of the Senate's Foreign Relations Commission, said the beating of three Mexican illegal aliens by the California police "is the result of the verbal aggressions that U.S. senators and government officials have waged against our country."

He said that the border is currently a "breeding ground" for the physical aggression of Mexicans and warned that more racist, anti-immigrant reactions are sure to follow in the next few months.

Conchello indicated that the physical violence proves the "animal" characteristics of the U.S. police, whom

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he defined as "poor, unhappy souls, who represent the practical side of the animosity and hatred that exists in the United States against foreigners."

In an interview, Conchello said that this "hatred" prevents Americans from admitting that drug trafficking and drug addiction are their own internal problems and that is why they blame the foreigners. "It is a hatred that is also expressed in their refusal to accept that their internal unemployment is a structural problem and not an immigration problem," he said.

"I would not be surprised if this were the beginning of a wave of violence against Mexico, which could help them hide their own vices and structural weaknesses. I am afraid that as long as drug addiction and unemployment continue in that country, they will continue blaming us. Unfortunately, we can expect more racist, anti-immigrant, anti-Latin American, anti-Mexican reactions, at least until the U.S. elections in November are over."

Likewise, the Media Secretariat of Evangelical Churches said that the Mexican Government must feel partially responsible for the aggressions against its citizens in the United States because its economic policies have led to an increased immigration and their protest against human rights violations have traditionally been "lacking in strength."

The secretariat said the physical attacks on our fellow citizens are part of an overall campaign conducted by "radical right-wing" sectors in the United States who are opposed to their country's immigration policies.

Abner Lopez, coordinator of the Media Secretariat, said the aggression is only a small sample of what hundreds of Mexicans suffer when they attempt to cross into U.S. territory seeking better living conditions, a possibility they have lost in their places of origin.

"Here it would be important to know what legislators and the government itself have to say when they approve price increases for basic commodities. He asked: What options do they give the people who have no jobs and who see their salaries shrink each day?

"By doing this, they are practically encouraging thousands of Mexicans to abandon the country, leaving the best years of their productive life abroad. It would be worthwhile for them — the government and the legislators — to examine whether or not they are guilty of these shameful incidents," Lopez said.

In a news conference, the Presbyterian church pastor said none of those who leave their families to seek employment in the United States does it because it is pleasant, but because "they urgently need jobs, which they do not find here."

As for the Mexican Government protests for these types of human rights violations against Mexican immigrants, he regretted that they have not always been made with the same strength and firmness with which they protested on this last occasion.

He warned that if greater investments are not made in the agriculture sector and if greater privileges are not given to farmers and peasants, instead of banks, as is being done now, it will be difficult to solve not only the immigration problem, but many other problems linked to the Mexican agriculture sector.

Finally, Lopez asked Mexican immigration authorities "to reflect on the attitude that they have also adopted with the Central American citizens who try to cross the border into our country, very often with the sole intention of reaching the United States."

He said, "very often the same border patrol practices and violations we condemn are the same ones carried out in our own territory.

Mexico: Government Tracks U.S. Deportation Figures

PA0704161096 Mexico City XEW Television Network in Spanish 0400 GMT 5 Apr 96

[From the "24 Hours" newscast]

[FBIS Translated Text] Thousands of Mexicans who crossed the northern border in search of work were unsuccessful and deported to Mexico during the first two months of this year. Mexico's economic situation has contributed to an increase in the number of Mexicans who want to illegally enter the United States to find a job.

The Government Secretariat reports that the United States deported more than 181,000 Mexicans in January and February 1996, including 45 people from Michoacan, Jalisco, Guanajuato, Mexico, and Zacatecas States. The deportations took place through the following points:

— Tijuana/Baja California, 117,967 cases;
— Nogales/Sonora, 31,233;
— Monterrey/Nuevo Leon, 17,400;
— Nuevo Laredo/Tamaulipas, 9,584;
— Ciudad Juarez/Chihuahua, 5,264.

Mexico reportedly expelled and rejected 21,859 foreigners in January and February, including:

— 10,691 Guatemalans,

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— 6,354 Hondurans,
— 3,846 Salvadorans,
— 243 Nicaraguans,
— 233 Ecuadorans,
— 138 from the United States.

The rest came from India, Colombia, Belize, China, Brazil, the Dominican Republic, and other countries.

The number of Mexicans who entered the United States legally dropped during the first two months of the year: While 3,038,646 Mexicans entered the United States with U.S. visas during the first two months of 1995, only 2,772,557 did so during the first two months of 1996.

Mexico: Official Discusses Trade Relations, NAFTA Issues

PA0604140996 Mexico City NOTIMEX in Spanish 0117 GMT 6 Apr 96

[FBIS Translated Text] Mexico City, 5 Apr (NOTIMEX) — Jaime Zabludovsky Kuper, commerce and industrial development under secretary, said today that Mexico is shaping its foreign trade policy with an eye to entering the Latin American market and strengthening ties with Europe and the Asian-Pacific Rim.

The international trade negotiations under secretary reported that Mexico expects to conclude a free trade agreement with Nicaragua and to renew negotiations with Guatemala, Honduras, and El Salvador during the first semester of 1996. The Commerce and Industrial Development Secretariat has revealed in a communique the contents of various interviews the official has had on this subject. The national economic crisis and changes in Central American governments slowed progress on these agreements in 1995, Zabludovsky said. He confirmed that negotiations with Panama opened two weeks ago and with Ecuador in February and that negotiations with Peru are expected to open soon. Zabludovsky said that trade agreement "links" will offer Mexico greater market access for its products and will help promote regional integration.

Mexico's relationships with Asian countries clearly are key to securing the economic and trade openings that the country seeks, he emphasized. Zabludovsky confirmed that Mexico's contributions to the Asia Pacific Economic Cooperation (APEC) forum will include annual meetings with the region's businessmen and officials and help preparing for the conference to be held in the Philippines. Herminio Blanco, commerce and industrial development secretary, led business delegations to Japan and the ROK in 1995 in efforts to form strategic alliances and to identify means through which Mexico could bond with those markets.

The under secretary also discussed Mexican-U.S. trade relations.

He noted that NAFTA has helped Mexico in its push to export avocados to the United States. This problem dates back to 1914 and is based on unfounded claims that the product is tainted, even though Mexican avocados are sold with no problem in other markets to the extent that Mexico is the largest producer of that fruit in the world, Zabludovsky emphasized.

He also discussed the unilateral U.S. decision to delay enforcement of the treaty chapter on ground transportation, which was scheduled to go into effect on 18 December 1996. Zabludovsky said that the move violates the liberalization of the cross-border land cargo service between the two countries, through which U.S. and Mexican cargo trucks could enter either country. The Mexican Government's position is based on respect for implementation of NAFTA, for which reason Mexico is making the necessary consultations and is confident it will obtain results shortly, he said.

Zabludovsky said that although NAFTA provides Mexican tomato exporters access to the U.S. market, the special protection that Florida tomato growers are asking for would hinder Mexico's access to this market. Mexico has expressed concern that implementation of such measures could violate NAFTA, in which case the Mexican Government would appeal to the trade relations committee.

Mexico: Army To 'Protect' Would-Be Migrants to U.S.

PA0604152396 Mexico City XEW Television Network in Spanish 0400 GMT 6 Apr 96

[Report by correspondent Carlos Linaldi; from the "24 Hours" newscast]

[FBIS Translated Excerpt] Undocumented workers who want to go to the United States know that they must pay those who will take them there illegally. Thieves know this and target roads leading to the United States. The Mexican Army, knowing that these workers cannot be stopped, is trying to protect those in the most dangerous zones:

[Linaldi] Soldiers are staging an operation in the mountains near Tijuana, which undocumented workers wishing to migrate to the United States cross to reach the border. The army is trying to protect them from the thieves prowling around that remote region, 10 kms from the city. Soldiers assisted a group of Mexicans on 4 April,

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apparently the victims of armed robbery. [passage omitted]

Mexico: Drug Legalization Seen as 'Remedy'

96CA0154A Mexico City REFORMA in Spanish 1 Apr 96

[Commentary by Jose Antonio Crespo: "Drug Traffic: Irreversible Damage" — received via Internet]

[FBIS Translated Text] The governments of Mexico and the United States are ready to intensify their cooperation to fight the drug traffic: First, it was claimed that joint military maneuvers would be conducted. Later, nothing was agreed except that Mexican troops would go to the other side of the Rio Grande to receive training. In any event, the effort expended for that purpose is doomed to fail. After several years of experience, it has become evident that the war against the "narco" is lost, and that it is not the best means of combating drug addiction.

The statistics used by the U.S. Government itself show that there are palpable results from the effort to reduce the demand for drugs, whereas there has been no significant progress in combating the supply. In fact, any cartel could disappear, several kingpins could be captured, and fields of coca and marijuana could be burned, but in any case the demand in the United States would be fully met. The ban on drug trafficking and consumption, far from resolving the issue of addiction, only generates a greater problem, which also hurts not only consumers but, in one way or another, the entire populations of the producing and transit countries. The battle against the "narco" is translated into street violence, corruption of officials, involvement of business firms and financial centers, etc. If there were positive results from the ban, then all this would make sense; but the battle against the "narco" has proven not to be of much use.

The solution to (or at least the control of) drug addiction consists of reducing the demand. The remedy for the trafficking problem lies in legalizing drug production and distribution. Those with this view are becoming increasingly numerous, especially in the Latin American countries, which are the ones directly hurt by the war against the "narco." The wasted resources used to curb the supply of drugs would have far better results if they were allocated to reduce the demand. In fact, the battle against the drug traffic has proven so useless and irrational that, sooner or later, legalization will gain recognition as the best option for coping with the problem.

But, the longer it takes to attain legalization, the more difficult it will be to rehabilitate the societies damaged by the battle against drug trafficking. In fact, it could be claimed that, just as certain drugs cause irreversible harm to those consuming them, the drug traffic also inflicts irreparable harm on the social institutions of the countries in which it is being fought. The corruption of police and military authorities, courts, etc., can reach enormous levels and, to that extent, it is vitally damaging to those institutions. The "narco" tentacles are increasingly managing to penetrate more deeply, and on higher levels of the structures of economic and political power. In fact, they have already come very near to the presidential institution in Latin America, as shown by Raul Salinas' close connection with Juan Garcia Abrego, and by the "narco-scandal" in Colombia.

As the "narco" deepens its institutional penetration, the kingpins will have a greater capacity to influence the centers of power and, indirectly, to make decisions that would hurt the entire society. The disadvantage is that, as a group, they are not, and will not be institutionally answerable to anyone. The fact that a few kingpins have been put behind bars does not change the corrupting force of the "narco" at all. New kingpins and new cartels will crop up like ivy in the jungle, and will continue to corrupt the institutions involved in fighting them. So, the more efforts are made to combat the drug traffic, the worse it will be for the societies in which that battle is being waged: That is, in Latin America. Its weak democracies will have been penetrated by the "narco," undermining their political and legal potentialities. As we have observed, the Latin American "narco" is capable of assassinating attorneys general and presidential candidates, or else "cooperating" generously in the electoral campaigns of governors and presidents.

The U.S. Government insists on pressuring the Latin American countries to assume the enormous cost entailed by the head-on war against the "narco," but it is careful not to unleash that battle within its own borders. And the Latin American governments, for their part, find themselves powerless for making the decision to legalize drugs so long as the United States will not permit it. It may be utopian as a proposal, but it would be beneficial if a Latin American front in favor of legalization were formed, because that is more responsive to our peoples' interests. And we should let the Americans concentrate their efforts and resources on reducing the demand for drugs in their own territory. Of course, so long as the United States is not convinced that this is the best option, it will fight with all its force any initiative to legalize drugs in the Latin American countries, so that we will be the ones paying the costs in blood, violence, and corruption entailed by that absurd war. However, the damage that it causes could prove irreversible.

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Mexico: U.S. 'Pressure' Spurs Laundering Probes

96CA0154B Mexico City LA JORNADA in Spanish 28 Mar 96 p 1

[Report by Roberto Gonzalez Amador — received via Internet]

[FBIS Translated Text] The Mexican Government has opened 10 investigations against business firms and private individuals suspected of engaging in money laundering operations in the country to legitimize funds obtained from illegal activities, primarily the drug trade.

Although it did not identify those suspected, arguing that the investigation is in progress, the Secretariat of Finance and Public Credit (SHCP) confirmed the existence of 10 charges. It indicated that the criminal complaints were submitted to the Attorney General's Office (PGR), so that it might conduct the investigation and, if necessary, begin the judicial process against the suspects.

The department noted that the presumable laundering crimes were detected as part of a permanent program to prevent and combat transactions carried out with illegally procured funds.

The SHCP also reported that it had achieved "positive results" in two investigations coordinated with the United States Government. It commented: "The names of those involved in these cases cannot be revealed, so as not to interfere with the investigations. But in both cases a convicting verdict was issued in the United States."

During the past few weeks, there has been stronger pressure from the U.S. Government to force the Mexican authorities to intensify the prosecution of crimes related to the laundering of money obtained from criminal activities. The U.S. official in charge of the battle against drugs, Barry McCaffrey, who is concluding a three-day visit to Mexico today, requested of the Finance Secretariat and the PGR "greater cooperation" in fighting the drug traffic and, consequently, counteracting money laundering.

The SHCP remarked that in recent weeks there has been a heightening of the international cooperation for this purpose, based on various international treaties (agreements on mutual legal assistance, and an agreement on mutual cooperation made with the United States to combat the international laundering of money used in illicit activities or derived from said activities).

It also reported that there has been an i[illegible]ification of the "effective" cooperation with the Federal Public Prosecutor's Office for the exchange of tactical, program-related, operational, and strategic information, "with an increase in investigations conducted on the subject."

The Finance Secretariat participated in the bill to improve the legal framework for the prevention, detection, and fighting of money laundering, which was submitted by the Executive Branch to the Congress in the form of a draft law, about the middle of this month.

In that document, the Mexican Government admits that organized crime is currently demonstrating greater effectiveness against the various state control facilities. It maintains: "Mexico, like other countries, is frequently overwhelmed, and observes the health of its inhabitants threatened by the onslaught of a phenomenon of great magnitude and complexity."

The PGR estimated that the drug trafficking groups operating in Mexico obtained a gross income of $30 billion in 1994.

According to private analysts, the criminal groups operating in Mexico are using scores of business firms as a cover for laundering approximately $8 billion every year: The proceeds from illegal activities.

The purchase of government bonds, and the transfer of dollars from the United States to Mexico, which are then deposited in different accounts and later transferred electronically to Europe or South America, are some of the devices used to launder the profits accrued through illicit means, according to private sources who were consulted.

The State Department recently reported that Mexican and Colombian drug traffickers have purchased companies in the construction and cement industries, as well as factories and other businesses in Mexico City, to launder their financial transactions. They also make investments in the Mexican Stock Exchange for this purpose.

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Honduras

Honduras: President Denies Suspending Officers' Trials

PA0604235996 Mexico City NOTIMEX in Spanish 2110 GMT 6 Apr 96

[FBIS Translated Text] Tegucigalpa, 6 Apr (NOTIMEX) — Honduran President Carlos Roberto Reina today denied that he is going to suspend the trials of the military officers who violated human rights in the 1980's because of the attack he sustained in March.

Prior to leaving for Peru, where he will begin a two-day visit starting on 8 April, the president pointed out that "a terrorist action is carried out to terrorize and frighten someone; in this regard, the attack failed, because I am not afraid."

He explained that even though those who perpetrated the attack remain unidentified, the state security bodies are in charge of the investigations. He added that it is evident that the actions the government is taking are adversely affecting a specific sector.

The "(military) trials must continue; we will not suspend them," President Reina affirmed as he talked about the trials the courts are conducting against military officers for allegedly committing human rights violations in the 1980's.

Arrest warrants issued against a colonel, a major, and a captain, who have been accused of forced disappearances of individuals in the 1980's, have remained in effect for the past five months. They remain at large.

Meanwhile, the Human Rights Prosecutor's Office filed lawsuits against 10 military officers for also violating human rights in the 1980's, when 184 activists were kidnapped and disappeared. "One does not have to be a genius to know who opposes my government, which is committed to imprisoning thieves and doing away with impunity," the president added.

Reina also maintained that those who are his government's enemies "are fond of highlighting the negatives that have subjected this country to vengeance and pilfering for long periods of time."

He granted a vote of confidence to Presidential Chief of Staff General Alvaro Antonio Romero by saying that Romero was an honorable and competent Honduran and that this is why this attack could not be used to tarnish his image. "We have examined the situation, and the security bodies must be very careful, because people have gotten too close to the president." He recalled how Pope John Paul II, former U.S. President Ronald Reagan, and other presidents have sustained attacks.

Prior to boarding the plane, the president said he will return to Tegucigalpa on 11 April, upon concluding his visit to Lima, Peru, on 9 April.

Foreign Affairs Minister Delmer Urbizo Panting and government spokeswoman Nora Shawer will travel along with Reina to Peru. According to the agenda, President Reina and his Peruvian counterpart, Alberto Fujimori, will sign an agreement creating a "Sea Institute" [Instituto del Mar] in Honduras, which will work at the Central American level with Peru's help.

Panama

Panama: U.S. Citizen Extradited on Bank Fraud Charges

PA0504194996 Panama City LA PRENSA in Spanish 5 Apr 96 p 1

[Report by Ibeth Vega G.]

[FBIS Translated Text] Ivette Franco, general director of the Legal Affairs and Treaties Office of the Panamanian Foreign Ministry, has said the ministry extradited citizen Anthony William Road to the United States yesterday. The U.S. authorities had requested his extradition, as there were 12 charges of bank fraud against him.

According to Franco, the United States was seeking Road so he could face 12 charges of bank fraud, including three charges for the possession of falsified securities and one for conspiracy to commit bank fraud.

The source has said that Road left for the United States in the custody of two FBI agents.

According to the official, in the last four years Panama has extradited about five people for crimes committed in the United States.

Franco added that still pending are the extraditions of Colombian Fernando Hernandez Arias, alias El Gordo, and Nicaraguan Alfredo Lopez Rodriguez, who is accused of drug trafficking crimes in the United States.

Both are under arrest in Panama, and their cases have received a great deal of attention in the last few weeks due to an order from the Criminal Court of the Supreme Court to transfer Hernandez to a hospital to receive medical treatment, given that he suffers from an unspecified illness.

According to U.S. authorities, Hernandez and Lopez were involved in the trafficking of cocaine worth several millions of dollars in that country.

Ivette Franco has said the three extraditions are based on the Extradition Treaty signed between Panama and the United States on 25 May 1904 and on the Single

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Agreement on Narcotics signed in New York on 30 March 1961.

Panama deported Israel Murdok, a citizen of Syrian origin, to the United States a few months ago. Murdok was accused of "laundering" drug trafficking money, and Panama refused to extradite Albert Laila, a Lebanese businessman with Panamanian citizenship.

Laila has been linked to the so-called "Murdok Group," which the U.S. authorities have accused of "laundering" approximately $500 million.

Panama has denied Laila's extradition because of his Panamanian citizenship and has promised to try him here with all the guarantees granted him by the Constitution and the laws of this country.

Moreover, Ivette Franco has said the Guatemalan Government again has not requested the extradition of former President Jorge Serrano Elias, who sought asylum in Panama in 1993 following his unsuccessful "self-inflicted coup" in that Central American nation.

Guatemala has accused Jorge Serrano Elias of about 10 criminal charges, but the Panamanian Government insists he is being politically persecuted.

Panama has likewise asked the Mexican Government to extradite Rafael Arosemena, former manager of the National Bank of Panama, accusing him of embezzlement, but Mexican authorities have turned down the Panamanian Government's request, claiming the former official is being "politically persecuted."

Panama: Study Views Economic Impact of Base Pullout

PA0604184496 Panama City EL PANAMA AMERICA (Special Supplement) in Spanish 3 Apr 96 pp 1-12

["Study on the Economic Impact of the Withdrawal of the Military Bases" by Marco A. Fernandez B. and Jose Galan Ponce]

[FBIS Translated Excerpt]

Summary and Conclusions

1. Approximately 32,000 hectares in the interoceanic region, close to the Panama Canal and the cities of Panama and Colon which are currently being used as U.S. military bases and defense sites will revert to Panama during the next five years.

The value of those assets to the national economy will depend on whether they are used in a way that will generate greater income and provide more jobs in a sustainable manner.

2. There are two considerations regarding the areas that have and will be reverted:

Dimensions. The size of the area is enormous, not only with respect to the size of the national economy but also with respect to the demand anticipated for its economic use. Study estimates conclude that an efficient economic use will only allow the use of one-third of the area to be reverted 25 years after commercial use of these lands have started.

Maintenance. Perpetuating the long-range economic value of the assets about to revert is an essential condition to ensure the economic and social profitability of these assets as a significant contribution to the country's development. The maintenance concept is, therefore, fundamental and must be adequately taken into account.

3. The current military bases usage being given to these assets do not represent the best economic use for the country. There are other more profitable options for the national economy.

Albrook and Fort Clayton both constitute logical areas for the natural expansion of Panama City. Diablo Heights and Corozal are areas best suited for the port, industrial, and commercial development of the port of Balboa. Amador and the northern part of Fort Sherman represent tremendous economic potential possibilities for the development of tourism. Other areas such as Fort Davis, where an export industrial park project is already under construction, have been identified as offering tremendous potential for industrial and commercial use.

4. Nevertheless, there are assets that do not offer any likelihood of economic use in the short term since they are not indispensable to the balanced development of the other areas; therefore, preserving their economic value carries a high maintenance cost. Thus, for example, most of Fort Sherman constitute an ecological reserve with one of the continent's greatest biodiversities. Preserving its ecological value is essential. In addition, on account of its extension and its proximity to populated regions, its maintenance costs would be rather costly. With respect to the Howard airport, its economic usefulness would take place in the long range given the current idle capacity of the Tocumen Airport. Its maintenance cost would be equally steep.

In all of the previous examples mentioned, the country can — without undermining global economic use — reach agreements with respect to shared usage. This view, without having to imply continuing with the current military base concept, allows combining different usages, as long as the military bases option helps cover

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maintenance costs and that there are benefits that will increase the economic yield of total assets use.

5. Expenditures entered in the books as economic losses caused by the reversion include loss of wages and income from service contracts and purchase of goods. Not included are costs attributed to loss of economic value caused by the deterioration these assets may undergo. At any rate, these expenditures can be significant, and eventually greater than what has been estimated here.

6. These costs will affect specific sectors: the workers who lose their jobs, the contractors, the suppliers, and so on. These costs are also certain and definite. The benefits are much more indefinite and uncertain. The benefits will depend mainly on:

a) The proportion of the assets that are truly used in an efficient manner;

b) The time range in which this use takes place and;

c) The economic yield obtained from this use.

We must point out that the jobs that might be created with the alternative use of the military bases as a result of a greater productive investment will be more plausible than the losses incurred due to the withdrawal of the bases.

The estimates involve a high degree of speculation, since the earnings for Panamanian society, mainly in terms of jobs and revenues, will depend on the trend followed by the said variables, in terms of how quickly the assets to be reverted are used, the profitability obtained, and the success to maintain the economic value of the assets.

7. An adverse trend by these variables would involve losses to the country, in terms of employment and revenues, in the reversion process. The greater possibilities seem to be side by side with the obtainment of significant benefits. However, these results will be neither automatic nor casual. We must create the favorable conditions to realize profits. In this regard, the reversion entails responsibilities for both the Panamanian Government and civilian society.

8. There are institutional and political responsibilities for the government sector. Concerning the institutional aspect, there are responsibilities mainly for the ARI. However, other institutions of the central government and the decentralized organizations will have different degrees of responsibility in the appropiate management of the reversion and the use of the assets.

It is also the public sector's responsibility to outline the appropriate government policies for the efficient use of the resources. These policies should include the attraction of local and foreign investment.

9. The civilian society will have the serious responsibility of adopting the pertaining actions for the greater and better use of the assets to be reverted. 10. The proper economic use of the areas to be reverted will not be easy or swift. The areas surrounding the canal and that constitute its natural area of influence will be available to be used in the first years of the reversion process, but those that lie farther from it will most likely take decades to be developed.

The experiences in other countries, which have turned military bases into civilian facilities for economic use show that the said process has been sluggish.

The limited development of the lands and installations that have reverted between 1977 and 1995 evinces the difficulties in giving them an appropriate use. Although it is true that the Panamanians will have access to the area of influence of the canal, that the government policies have changed compared to the period prior to 1990, and that there is an organization such as the ARI, which conducts a huge promotional campaign, it is necessary that the society make a special effort to exploit as much as possible the reversion's economic potential. [passage omitted]

Panama: Amnesty Bill Said To Cover Electoral Criminals

PA0604195396 Panama City Circuito RPC Television in Spanish 2300 GMT 4 Apr 96

[Report by Luis Polo Roa; from the "RPC Television News" newscast]

[FBIS Translated Text] Electoral Tribunal Magistrate Dennis Allen has confirmed that the list of those to be granted amnesty that the Legislative Assembly is reviewing includes people who committed electoral crimes in the past:

[Begin Allen recording] We understand the amnesty bill that the Legislative Assembly is considering includes a list of people and the crimes that were committed. I believe that the list includes approximately 100 people who were involved in electoral crimes — not very consequential ones, but electoral crimes nonetheless — as far back as 1989. [end recording]

Magistrate Allen said that they do not know for sure if the list includes people who committed electoral crimes in more recent elections. However, he said that the Electoral Tribunal can do nothing more than accept the Legislative Assembly's decision if it decides to grant amnesty to those who have committed this type of crime.

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Panama: Legislator Says PRD 'Split' Over Amnesty Bill

PA0704172996 Panama City LA PRENSA in Spanish 7 Apr 96 p 2A

[By Hermes Sucre Serrano]

[FBIS Translated Text] Legislator Balbina Herrera has confirmed that the Democratic Revolutionary Party (PRD) is split over the amnesty bill: Several of her party colleagues insist on a general amnesty rather than a selective amnesty, as the commission that is studying the amnesty bill has proposed.

Herrera, who heads the commission, admitted that "there are some voices in the party that demand a general amnesty" to include all those in jail, whether for common crimes or not. The legislator told a local radio station that the bill clearly defines the term amnesty and lists the names and the crimes of those who would benefit from the pardon.

Commission members have confirmed that the bill will affect approximately 1,100 people charged with several different crimes but not affect 56 people linked to crimes involving murder and torture (Felipe Camargo, Nivaldo Madrinan, the people sentenced for the death of Hugo Spadafora, etc.).

Herrera said the amnesty has been amply debated over past years but only in regards to the most conspicuous cases and has not taken into account the hundreds of people who committed lesser crimes and who should not be in jail.

"There are voices within the PRD that maintain it should be a general amnesty, which is what has triggered the controversy," she asserted.

The former Legislative Assembly president did not rule out amnesty in the Raymond Dragseth murder case since it took place at a time of political turmoil, prior to the toppling of dictator Manuel Antonio Noriega.

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Argentina

Argentina: Talks With Prison Mutiny Leaders Reported

PY0504183696 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1644 GMT 5 Apr 96

[FBIS Translated Text] La Plata, 5 Apr (NA) — The Buenos Aires Province Penitentiary Service has just released a communique reporting the outcome of negotiations held this morning with the leaders of the mutineers at Sierra Chica penitentiary.

The following is the text of the communique: "At this meeting, the penitentiary authorities reiterated their pledge that the agreed upon transfer of inmates to the federal and provincial penitentiaries will be carried out with respect for the physical integrity of inmates, and concurrently with the release of hostages, who are in good health. It should, moreover, be added that there has been a full response to the inmates' demands, and that a reply by inmates is awaited."

Argentina: Reactions to Chief of Cabinet Appointment

96P20379A

[FBIS Report] Economy Minister Domingo Cavallo has voiced satisfaction with the appointment of Education and Culture Minister Jorge Rodriguez to replace Chief of Cabinet Eduardo Bauza, according to a 29 March CLARIN article by Julio Blanck and Jorge Grecco. Rodriguez "is an excellent minister and will make a good chief of cabinet," remarked Cavallo. "The President makes very good decisions."

The appointment, described by CLARIN and other dailies as "surprising," was unexpected because Interior Minister Carlos Corach was viewed by political insiders to be a shoe-in for the post. According to Blanck and Grecco, Menem seems to have taken "careful note" of the "concern" felt within banking and business sectors regarding the rumored appointment of Corach as Menem's new right-hand man. (CLARIN 29 March)

The Rodriguez appointment was clearly a decision on Menem's part to strike a balance within the cabinet, insists a 29 March LA NACION front-page commentary. "The appointment of Interior Minister Carlos Corach, whose name was among those most frequently mentioned, would have been seen almost as a provocative gesture toward Economy Minister Domingo Cavallo, who had openly criticized him (Corach) during the cabinet meeting which caused the most recent government crisis."

Another reason for the appointment, adds Fernando Thascano in the 30 March LA NACION, is strictly political. It is Menem's way of reminding everyone that he, and "he alone," makes the decisions.

Front for a Country in Solidarity (Frepaso) leader Carlos "Chacho" Alvarez insisted that the appointment of Jorge Rodriguez as Cabinet Chief "is destined to lower the profile and limit the scope of the office." The Frepaso national committee issued a communique stating: "With regard to the cabinet change, the question is whether this is meant to strengthen the institution of the minister coordinator or definitively weaken it." (CLARIN 29 March)

In criticism aimed directly at President Menem, Radical Civic Union (UCR) leader Rodolfo Terragno said: "If I were president, the government would have a chain of command and I would fill each office with the strongest and most capable person; I would not, from the nation's presidency, be struggling to prevent being overshadowed in the government." (CLARIN 29 March)

According to the 30 March LA NACION, Menem denied rumors he had been pressured by Cavallo not to appoint Corach, and criticized those who, in "total ignorance of Argentine political life," are asking: Who is Rodriguez? Justifying the appointment, Menem described the minister as a "calm, thoughtful man" who is "open to dialogue." Citing the minister's "long-standing political career," the President went on to praise him for the "most extraordinary education reform the country has ever seen." (CLARIN 30 March)

A LA NACION commentary by Joaquin M. Sola profiled the new chief of cabinet as "a colorless man," reputedly a "good person," but "lacking in creativity and political stature."

"What makes Rodriguez a good choice also makes him useless," Sola argued. "He will neither fill Bauza's empty seat in the leadership of the political wing of the government, nor is he experienced in mitigating potential conflicts. He will through hard work manage the government bureaucracy, while Corach will replace Bauza—assisted by the latter—in relations with the congress and with provincial leaders." (LA NACION 31 March)

Argentina: Cardoso Visit To Set Regional 'Priorities'

PY0604015896 Buenos Aires TELAM in Spanish 1915 GMT 5 Apr 96

[FBIS Translated Text] Buenos Aires, 5 Apr (TELAM) — An Argentine Foreign Ministry source today said that Argentina and Brazil will take decisive steps toward integration during the two-day official visit Brazilian

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President Fernando Henrique Cardoso is scheduled to make to Buenos Aires starting on 7 April.

President Carlos Menem and his Brazilian counterpart will sign nuclear and space cooperation agreements as well as physical and energy integration agreements, among other topics.

The Foreign Ministry source said that Cardoso, who is due to arrive at Jorge Newbery metropolitan airport at 2210, will be met by Foreign Minister Guido Di Tella.

The source added that "according to instructions imparted by President Menem, Cardoso will be accorded special protocol honors due to a visiting head of state," and noted that at this meeting "decisive steps will be taken toward bilateral and regional integration."

The source added: "The visits by President Cardoso and by Chilean President Eduardo Frei — who is scheduled to visit Argentina by the end of April — will set the course of our foreign policy in 1996 because they will set Argentina's priorities at the regional level."

The source added that Menem and Cardoso will discuss bilateral political issues and will exchange opinions on the prevailing criteria for promoting the integration of Mercosur [Common Market of the South] with other countries in the region, namely Chile.

Cardoso will also address a joint session of the two houses of Congress, a session that is convened only to honor the leaders of those countries that are most important for Argentina.

The source said that "the Brazilian president will deliver his most important speech before the joint session of Congress, while President Menem will deliver his most significant speech during a reception he is will host for Cardoso at the Alvear Palace Hotel."

Cardoso and Menem are scheduled to hold a working meeting in the Olivos residence at 1030 on 9 April.

The source added that the two presidents will later sign a package of cooperation agreements "that will give an unprecedented boost to bilateral relations."

Herewith the main agreements Cardoso and Menem are scheduled to sign:

1. A cooperation agreement on space activities envisaging the use of missile-launch bases located in northern Brazil. This will be the second agreement of this type signed by Argentina, which signed the first one with the United States. Hence the significance of this agreement.

2. A nuclear cooperation agreement envisaging the development of joint projects. The presidents will set a 120-day deadline for the nuclear energy commissions of the two countries to submit the appropriate plans and to put new undertakings into motion.

The nuclear agreement, which will account for a special paragraph in the joint declaration to be signed by the two presidents, is in keeping with the exchange of information that was instrumental in building mutual confidence over a highly sensitive, strategic issue and in creating an atmosphere conducive to implementing joint projects.

3. An agreement on physical integration, including the drafting of a master plan for the implementation of a waterway (full exploitation of the River Plate basin and of interconnected waterways), roads, and bridges linking the two countries.

The plan is designed to outline the respective undertakings involved in the project with a view to encouraging participation by international capital in their implementation.

The plan entails the construction of the Santo Tome (Argentina)- Sao Borja (Brazil) bridge. The respective call for bids will be made in May.

4. A protocol of intent regarding energy integration for the development of joint projects, including the construction of the Parana-Uruguaiana gas pipeline, which will seek to supply Argentine gas to the Garabi thermoelectric plant in Brazil.

The protocol also provides for the installation at the Garabi power plant of a converter unit to change the alternating current from 50 to 60 cycles to pave the way for the export of Argentine electricity to southern Brazil.

5. The setting up of an institutional mechanism to govern the functioning of a permanent consultative group on strategic issues concerning integrated regional defense. The group will be made up of the foreign ministers and defense officials from both countries under the leadership of the two governments.

The creation of this group can be traced back to a meeting held in August 1995 by Foreign Ministers Guido Di Tella and Luiz Felipe Lampreia with senior officers and defense officials from both countries.

The group will promote further progress in military cooperation mechanisms, which are currently reflected in the participation of Brazilian and Argentine troops in Cyprus and Angola, as well as in joint maneuvers by the Argentine and Brazilian naval forces.

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Brazil

Brazil: Letter of Condolence Sent to U.S. President

PY0504125196 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 5 Apr 96

[FBIS Translated Text] President Fernando Henrique Cardoso sent a letter of condolence to U.S. President Bill Clinton expressing sympathy for the death of U.S. Commerce Secretary Ron Brown. Cardoso said in his missive that Secretary Brown was a friend of Brazil's who contributed to strengthened economic ties between Brazil and the United States. The head of state requested that Clinton extend his condolences to the families of the other victims who died in the plane crash in Croatia.

Brazil: U.S. Ambassador to Colombia Criticized

PY0404010696 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Apr 96 p A3

[Editorial: "Unwanted Interference in Colombia"; from the "Notes and Information" page]

[FBIS Translated Text] The accusations the U.S. ambassador made in Bogota against the Colombian political class have introduced one more factor of disturbance in the already tumultuous political scenario of the country. Violating the most elementary norms of diplomacy, Ambassador Myles Frechette said that the congressional committee that has been investigating President Ernesto Samper has no credibility and that Colombian politicians are generally unpopular. The ambassador's criticism has led the Colombian Congress to ask the U.S. Department of State to replace the ambassador. Frechette is known by his verbal intemperance, which is an attribute hardly commendable in a career diplomat. Brazilians, unfortunately, know Frechette very well.

In 1989, for example, when Frechette was U.S. consul general in Sao Paulo, his considerations about the Brazilian way of conducting trade negotiations with the U.S. Government have caused Itamaraty (Brazilian Foreign Ministry headquarters) to release an official reaction to his comments. The then consul had said that "it was very important for Brazilians to know that their negotiations should be conducted seriously." Itamaraty deemed these comments "unfortunate and inappropriate." In 1993, U.S. Ambassador to Brasilia Richard Melton had to strip Myles Frechette of authority. During a lecture at the U.S. Chamber of Commerce, Frechette said that Itamaraty harmed Brazilian-U.S. relations. This irritated then President Itamar Franco and made Ambassador Melton stress that this was Frechette's "personal opinion."

In Colombia's case, Frechette's interference took place at a particularly delicate moment not only for Colombian domestic politics, but also for its relations with the United States. One month ago, the U.S. Government denied Colombia certification [preceding word in English]. This is a provision that would have endorsed the country's antinarcotics policy. The U.S. decision represented a hard blow for President Samper who has been doing his best to prove that he has not been linked to the scandal of the alleged financing of his electoral campaign by the Cali drug mafia.

After the arrest of the treasurer of Samper's campaign and of the head of his electoral committee and former defense minister, three other ministers — foreign affairs, communications, and interior — are being questioned, in addition to the president himself. The process, therefore, involves the government's nucleus, with the aggravating circumstance that it corrodes the Colombian Government's support base because it creates dissidence within the ruling party. Other accusations, partially encouraged by political opportunities and interests. The problem is that, not only the career of this or that politician is at stake, but also Colombian stability and the fate of its institutions in relation to the powerful drug-trafficking organizations. Colombia already has too many problems. It does not need foreign diplomats to make public declarations about its political class.

Brazil: Cardoso, UK's Rifkind To Discuss UN Changes

PY0404190596 Sao Paulo GAZETA MERCANTIL in Portuguese 2 Apr 96 p A15

[Article by Maria Clara R.M. do Prado in London]

[FBIS Translated Excerpt] One of the main issues that Malcolm Rifkind, British secretary of state for foreign and Commonwealth affairs, will discuss with President Fernando Henrique Cardoso and Foreign Minister Luiz Felipe Lampreia in Brasilia on 15 April is the reorganization of the United Nations.

Prime Minister John Major's administration seems to be willing to continue holding discussions seeking to define a new profile for the United Nations that may encompass not only the organization's structure and its function, but also the use of its resources. Asked by this newspaper about the Brazilian Government's plans to obtain a seat in the UN Security Council, a source of the Foreign and Commonwealth Office (equivalent to the Brazilian Foreign Affairs Ministry) merely stated that the British position has always been that of defending a more effective Security Council: "If the Council becomes too big, I don't know whether it will be possible to achieve this objective. We know, however, that there is pressure for a larger Security Council," the source added.

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Rifkind will start his first visit to several Latin American countries on 9 April. He will begin his tour by visiting two former British colonies: Barbados and Jamaica. Then he will visit Mexico (10 and 11 April), Brazil (12, 13, 14, and 15 April), and Bolivia (on the evening of 15 April and the entire day of 16 April). [passage omitted]

The Foreign Office source said: "We want to establish a new partnership with Brazil and Mexico." The source mentioned that these countries' GDP's are important ($535 billion and $370 billion, respectively), and then compared them to some Southeast Asian countries that have smaller GDP's. It is worthwhile to point out that never before have relevant members of the British Government visited Latin American countries, as has been occurring in recent times. Within a period of only three months, three important officials of the British Government [Chancellor of the Exchequer Kenneth Clarke; Anthony Nelson, secretary of state for trade and industry; and Rifkind] will have visited our continent.

Brazil: Firm Sells $1 Million in Chicken to Russia

PY0304224396 Sao Paulo GAZETA MERCANTIL in Portuguese 2 Apr 96 p B18

[Report by Andre Lacerda in Belo Horizonte]

[FBIS Translated Text] The Brazilian poultry industry has finally managed to take a bite of the Russian market. The Perdigao company yesterday closed a deal to export 800 metric tons of frozen chicken worth $1 million to Russia. Although it involves a small amount, the deal closed yesterday paves the way for exporting Brazilian poultry to the Russian market, the world's largest importer of chicken.

Perdigao Vice President Wang Wei Chang said: "Through this contract, Brazil will return to a market that had been closed to us for nearly five years." He came yesterday to Belo Horizonte to show to investors the results obtained by Perdigao in 1995. The chicken shipped are similar in weight to those marketed in Brazil; that is, each chicken weighs approximately 2 kg.

In pushing a wedge within the Russian market, Perdigao took advantage of the arm wrestling going on between Russian importers and U.S. poultry exporters. Thus far, Perdigao has exported chicken only to Japan, Hong Kong, Singapore, and other Asian countries. Perdigao expects to export between 20 and 25 percent of its current production — 645,000 chickens and 4,500 pigs slaughtered daily, primarily to Japan.

The Perdigao executive believes that the "mad cow" disease could bolster exports of Brazilian white meat to Europe. He also believes that the disease may cause other European markets to open to Perdigao's manufactured products. Today, France and the United States are the main competitors of Brazilian poultry products on foreign markets. The French have also established a strong presence in Saudi Arabia and Kuwait, where Perdigao also seeks to set foot.

Part of Perdigao's confidence has been reflected in its plans for the next few years. Up until 1998, the Capinzal unit in Santa Catarina is expected to increase its production from 260,000 to 360,000 tonnes annually.

Brazil: Roundup of Economic Reports Through 3 Apr

PY0304225096

[FBIS Report] The following is a compilation of reports on economic activities in Brazil monitored through 3 April.

BASIC LEADING INDICATORS

Open Unemployment Rate — The Brazilian Institute of Geography and Statistics, IBGE, has reported that in February 1996 the open unemployment rate reached 5.7 percent, compared to 5.26 percent in January 1996 and 4.25 percent in February 1995. These figures were calculated for six metropolitan regions: Rio de Janeiro, Sao Paulo, Belo Horizonte, Porto Alegre, Salvador, and Recife. The open unemployment rate also includes the people who are not looking for a job. The IBGE also reported that the actual working population grew by 2.3 percent between February 1995 and February 1996. (Sao Paulo AGENCIA ESTADO in Portuguese 2213 GMT 1 Apr 96)

Estimated Crops — The IBGE on 29 March reported that Brazilian crops this year should reach 69,091,000 tonnes, that is, 12.87 percent less than in 1995. IBGE specialists said these figures were estimated on the basis of information gathered in February. Coffee crops are expected to yield 1,980,000 tonnes this year, that is, 15.20 percent more than in 1995. Rice crops are expected to yield 9,414,000 tonnes, that is, 12.93 percent less than in 1995. (Sao Paulo AGENCIA ESTADO in Portuguese 2245 GMT 29 Mar 96)

Inflation Rate — The Economic Research Institute Foundation of the Sao Paulo State University has reported that the Consumer Price Index grew by 0.23 percent in Sao Paulo in March. This is the lowest inflation figure reported in almost 38 years. In March, the cost of living dropped by 0.17 percent with respect to February. The inflation rate of March is the lowest since December 1958, when there was a zero inflation rate.

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(Sao Paulo AGENCIA ESTADO in Portuguese 1905 GMT 3 Apr 96)

FINANCIAL OPERATIONS

Enterprise Converts Credits into Bonds — NEC do Brasil has started contacting financial institutions for converting credits worth approximately $600 millon into bonds. The enterprise has to receive the credits over a five-year period from operating companies of the Telebras network. Most of the credits are owed by the telecommunication companies of Rio de Janeiro, Sao Paulo, and Bahia. (Sao Paulo GAZETA MERCANTIL in Portuguese 30 Mar 96 p A1)

Enterprise Invests in Chile — Ipiranga Petroquimica has formed a partnership with five Chilean enterprises to create Petroquim Inc., which will be the first polypropylene factory in Chile. The partnership contract was signed on 28 March in Porto Alegre. The factory, which will be built with a $120 million investment, will start producing in July 1998. (Sao Paulo GAZETA MERCANTIL in Portuguese 29 Mar 96 p 1)

Investment in Petrochemical Sector — Emilio Odebrecht, president of the Odebrecht group, on 28 March reported that the group will invest approximately $1 billion in three petrochemical projects in the Triunfo petrochemical center, in Rio Grande do Sul. Most of the investment will be used for building a polyethylene terephthalate factory. (Sao Paulo GAZETA MERCANTIL in Portuguese 29 Mar 96 p 1)

Fuel Prices Liberated Announced — Fuel prices will be liberated in 90 percent of Brazilian territory as of 2 April. Mainly in the south, southeast, Campo Grande, Mato Grosso do Sul, Corumba, Barra do Garcas, Mato Grosso, Goiania, and Brasilia, where the price adjustment will not be greater than 10 percent. The price of diesel oil can only increase between 1.47 and 2.94 real cents per liter. The price of bottled gas will not change. In the areas where prices will continue being regulated — in the north, part of northeastern Brazil, and center-west Brazil — the price of gasoline will increase by 5.8 real cents per liter and fuel alcohol by 4.75 real cents. Subsidies to fuel alcohol will be eliminated on 1 January 1997 (Brasilia Voz do Brasil Network in Portuguese 2200 GMT 29 Mar 96)

Steel Company Profits — In 1995, sales by the Minas Gerais Steel Company amounted to $676 million, compared to $538 million in 1994. In 1995, the company produced 2.5 million tonnes of steel, and made a net profit of $34.94 million, surpassing 1994 profits by $25 million. Company President Luis Andre Rico Vicente reported that 59 percent of the company production was sold to southeast Asia, and 23 percent to the U.S. market. (Sao Paulo AGENCIA ESTADO in Portuguese 2017 GMT 29 Mar 96)

Payment to Paris Club Members — Brazil on 1 April will make a $390,426,000 payment on the debt it owes to 13 Paris Club members. (Rio de Janeiro O GLOBO in Portuguese 30 Mar 96 p 23)

FISCAL, MONETARY ISSUES

Record Number of Bankruptcies — The Sao Paulo Commercial Association has reported that in Greater Sao Paulo, 137 enterprises were declared bankrupt in March 1996, compared to 132 in February 1996. (Sao Paulo AGENCIA ESTADO in Portuguese 2348 GMT 1 Apr 96)

Exchange Market Figures — In March 1996, the exchange market registered a balance of $825.1 million — the lowest monthly balance since June 1995 — while the financial operations market registered a deficit of $414.2 million. This is the first deficit since September 1996. In March 1996, the commercial exchange balance registered a surplus of $1.24 billion, compared to the $1 billion surplus registered in January 1996. (Sao Paulo AGENCIA ESTADO in Portuguese 2353 GMT 1 Apr 96)

Public Deficit — In January 1996, all tax revenues were used to pay personnel expenses of the federal government. Those expenses accounted for 101 percent of Treasury revenues in the same month, while throughout 1995, personnel expenses accounted for slightly more than 50 percent of revenues. Between 1993 and 1995, the expenses to service the debt owed by the government grew by more than 100 percent, rising from 5.5 to 11.3 percent. (Rio de Janeiro O GLOBO in Portuguese 1 Apr 96 p 14)

French Brazilian Bank Transferred — Itau bank president Roberto Setubal has reported that Itau bank paid 430 million reals to buy 96 percent of the shares of the French Brazilian bank. The deal was closed in October 1995, when Itau bank bought 54 percent of French Brazilian bank shares from France's Credit Lyonnais, for 300 million reals. (Sao Paulo GAZETA MERCANTIL in Portuguese 2 Apr 96 pp A1, B1)

TRADE ISSUES

Import Tariffs Modified — The government on 1 April published in the Official Gazette a new list of some 300 products whose import tariffs will remain above the External Common Tariff applying to Mercosur countries. Tariffs applying to electric home appliances, electronic products, and motrocycles — which ranged from 46 to 63 percent — will now be reduced to 35 percent. Tariffs applying to refrigerators, stoves, and washing machines will drop to 30 percent. Tariffs applying to shoes — which ranged from 44 to 56 percent — will drop to 40 percent. Tariffs applying to polymers were increased from 10 to 14 percent. (Sao Paulo AGENCIA ESTADO in Portuguese 2323 GMT 1 Apr 96)

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Chile

Chile: Ministers Brief Senators on Accord With Mercosur

PY0604001196 Santiago EL MERCURIO in Spanish 4 Apr 96 p C3

[FBIS Translated Excerpt] Valparaiso — Foreign Minister Jose Miguel Insulza, Economy Minister Alvaro Garcia, and Agriculture Minister Emiliano Ortega gave the Senate, in a closed-door meeting, detailed information on the agreement reached with Mercosur [Common Market of the South] regarding the advantages of such an association, the tariff preferences given and received, and the import and export quotas of the so-called "sensitive" products.

A discussion was also held whether the agreement with Mercosur has to be ratified by Congress or not. In this regard Insulza and Garcia emphatically reiterated that it does not have to be ratified because it is an agreement of economic complementation within the framework of the Latin American Integration Association, ALADI.

According to the senators of the opposition, "there was nothing" new in the information given because they already knew all the issues, not directly from the government, but from the officials who negotiated with Mercosur. They said they also knew about the quotas and that "it is not true there are terms of 10, 15, or 18 years but that an immediate phasing out of tariffs is achieved for the Mercosur countries through the quotas. This was also noted by Senator Francisco Javier Errazuriz, who yesterday took over as president of the Senate Agricultural Committee.

According to Errazuriz, the establishment of quotas for agricultural products not only mean the phasing out of tariffs from the moment the agreement with the Mercosur goes into effect but also a "considerable increase" of imports of meat, rice, and other products which are "highly sensitive" for Chilean agriculture. [passage omitted]

Chile: Agricultural Accord With Mercosur Questioned

PY0504020996

[FBIS Report] Santiago EL MERCURIO in Spanish on 30 March 1996 page A3 carries a 300-word editorial entitled "International Treaties," expressing concern over the agreement reached between the government and the Mercosur (Common Market of the South) countries allowing Chile to join this common market organization, which includes Argentina, Brazil, Paraguay, and Uruguay. The editorial says that the Chilean association with Mercosur brings out the issue of the system for signing international commitments because congressional approval is not required in this association, which will affect Chilean agricultural production. The editorial notes that "unfortunately, the lack of participation of organizations outside the Foreign Ministry prevented contributions for improving the negotiations."

Santiago LA TERCERA DE LA HORA in Spanish on 31 March 1996 page 11 carries a 200-word article by National Renewal President Andres Allamand entitled "S.O.S. for Agriculture," indicating that the farmers' protests are justified. Allamand says: "It is an undeniable truth that a well-negotiated, not badly negotiated, agreement with the Mercosur is in general good for the country. But it is also true that the agreement is negative for traditional agricultural production." Allamand goes on to say that "for this reason, National Renewal has insisted that it was the government's duty to implement an effective policy to prepare farmers for an adverse situation and it is the obligation of the authorities to create mechanism to compensate for the disadvantages of a few, especially if this creates advantages for all."

Santiago ESTRATEGIA in Spanish on 1 April 1996 page 3 carries a 300-word editorial entitled "Negotiations With Mercosur," related to the list of sensitive agricultural products included in the agreement. The editorial says: "It is unacceptable that in negotiations of this nature in which the future of the country's production activities is at stake, the government did not consult those in charge of this activity or the agricultural leaders. It should not be forgotten that the negotiations are held by this administration, which after it ends its term will be replaced by another administration, but the private groups will be the ones that will have to produce and compete within the framework of a long-term trade agreement."

Chile: UDI Council Conditions Electoral Pact With RN

PY0504191596 Santiago EL MERCURIO in Spanish 1 Apr 96 p C3

[FBIS Translated Excerpt] Valparaiso — By an overwhelming majority of 266 votes to 4, the Independent Democratic Union [UDI] general council has empowered the UDI national board headed by Jovino Novoa to immediately sign an electoral pact for the municipal elections with the Progressive Center Union (UCCP) and the Party of the South. However, the UDI general council has made, as a condition for the signing of an electoral pact with National Renewal [RN], the amending of constitutional reforms currently under discussion.

The UDI general council has thus expressed its support for the policy upheld by the UDI national board, which sustains that electoral pacts must be based on clear

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programmatic agreements and, in particular, on the defense of the fundamental principles of the current political institutional system.

The UDI general council meeting also approved the electoral pact designed by Deputy Pablo Longueira promoting other members of the center-right coalition. This pact proposes concentrating all the votes on one candidate or mayor who will run as an independent, and filling only those municipal councilmen slots to which election is feasible. [passage omitted]

Colombia

Colombia: Army Guarantees Protection From Guerrillas

PA0804025196 Santa Fe de Bogota Emisoras Caracol Network in Spanish 0200 GMT 8 Apr 96

[Report by Victor Lopez]

[FBIS Translated Text] Barranquilla — The Army and police today reassured the entrepreneurs of the transport and other production sectors in the country's Atlantic zone regarding the guerrillas' armed strike, saying that the Army and the police guarantee permanent operations to counteract those actions.

Colonel Bayardo Vasquez, the 2d Brigade's Chief of Staff, said that reinforcements were deployed in the coastal departments, in particular Magdalena and Cesar, in the past few hours. In the latter department, the ELN [National Liberation Army] torched a Brasilia passenger bus and a tractor trailer loaded with coal from La Jagua de Ibirico mines in Cesar Department.

Col. Vasquez said the strike was declared by the FARC [Revolutionary Armed Forces of Colombia], ELN, and the EPL's [People's Liberation Army] dissidents in retaliation for the casualties recently inflicted on them by the Army in Caqueta department, where an entire subversive front was virtually wiped out.

In addition, Col. Lino Hernando Pinzon, police commander in the Atlantic zone, reported that every man on the force is on a state of alert.

Colombia: General Says Police Ready for Guerrillas

PA0804011296 Santa Fe de Bogota Emisoras Caracol Network in Spanish 0000 GMT 8 Apr 96

[FBIS Translated Text] Santa Fe de Bogota — In view of an announced leftist guerrillas' nationwide armed strike, all of the Armed Forces members have been confined to their quarters on red alert in preparation to neutralize any subversive actions.

National Police director General Rosso Jose Serrano confirmed the existence of a subversives' plan and added: We have already shared this intelligence report with the military forces. The defense minister has issued instructions for alerts like this one, but generally [words indistinct] because everything has failed on him. Consequently, we will be on alert, in particular on roads and highways where the subversives have been known to establish a checkpoint in two or three minutes.

He also said that the police will be confined to their quarters on red alert. We have instructed department commanders to pay close attention to this situation, he said. He continued to say that the Armed Forces are prepared to confront the subversives' actions and that the entire Public Force is aware of the situation. We are professionals who stay one step ahead of events. With the cooperation of all Colombians, in particular in the red zones, we will prevent the guerrillas from carrying out their plans, which only succeed in discrediting them even further, he concluded.

Colombia: Forces on Alert for Guerrillas' 'Armed Strike'

PA0704202896 Madrid EFE in Spanish 1938 GMT 7 Apr 96

[FBIS Translated Text] Santa Fe de Bogota, 7 Apr (EFE) — The Colombian Armed Forces have been placed on maximum alert in light of guerrilla threats of a nationwide armed strike [un paro nacional armado] on 8 April. The Simon Bolivar Guerrilla Coordinating Board [CGSB] called for the strike in flyers mailed to official entities and transportation companies nationwide. The CGSB includes the Revolutionary Armed Forces of Colombia (FARC) and the Army of National Liberation (ELN) — the country's largest guerrilla groups — as well as a small dissident group of the disbanded Popular Liberation Army (EPL). Official spokesmen have confirmed in Santa Fe de Bogota that the police force has been put on first degree confinement to barracks nationwide in light of the guerrilla threat. Santa Fe de Bogota radio stations report that rebel groups have threatened to unleash an offensive if the strike call is not heeded. The CGSB flyer states that the armed strike is being staged in protest over President Ernesto Samper's government and the crisis in which the country is immersed, following charges that drug trafficking money was funneled into Samper's 1994 election campaign. The rebels have decided to begin the strike on 8 April and to extend it over two days.

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Colombia: Government To Ask U.S. for Antidrug Funds

PA0704235496 Madrid EFE in Spanish 2226 GMT 7 Apr 96

[FBIS Translated Text] Santa Fe de Bogota, 7 Apr (EFE) — Colombian Justice Minister Carlos Medellin announced today that this week he will formally ask the U.S. Government, through U.S. Ambassador Myles Frechette, to consider the possibility of increasing by 1000 percent the current $20 million aid to fight drugs.

Colombia receives $20 million annually from the United States in financial aid to fight drug traffic, which, according to official figures, cost the United States nearly $1 billion in 1995.

During an interview with Radio Cadena Nacional (RCN) in Santa Fe de Bogota, Medellin said that Washington, which on 1 March condemned the local war on drugs, saying that the results were unsatisfactory, had decided to keep economic aid at that level.

The minister, who at other times had said the U.S. financial aid was "ridiculously low," now says: "Those $20 million are an aid that Colombia appreciates and accepts."

Medellin, however, said that, because this is such a big problem and it is regarded as a national emergency situation in the United States, he will ask the U.S. Government this week to increase its economic aid to fight drugs. "I will respectfully ask (...) the U.S. Ambassador to Colombia (...) to consider raising this economic aid by 1000 percent. This is to say, to raise it from $20 million to $200 million."

Medellin believes that the strategy against control of production and local consumption relies on a sufficient share in the U.S. budget and that in this light, "the $200 million figure is still very low."

He said that, if this aid increase is approved, his government will assign it to reinforce the Counternarcotics Department.

Colombia: Increase in U.S. Counternarcotics Aid Sought

PA0704174796 Mexico City NOTIMEX in Spanish 1608 GMT 7 Apr 96

[FBIS Translated Text] Santa Fe de Bogota, 7 Apr (NOTIMEX) — Colombian President Ernesto Samper's government will ask the U.S. Government for more aid to fight the drug cartels.

Colombian Justice Minister Carlos Medellin has said that he will ask U.S. Ambassador to Colombia Myles Frechette for ten times more aid to fight drug cultivation and marketing activities. The official described the $20 million the United States gives this Andean country annually as insufficient in efforts to eradicate coca and marijuana plantations and to train counternarcotics personnel on all fronts. Medellin told local newsmen: "We have learned that President William Clinton's administration wants U.S. support to Colombia to continue (despite decertification). This is why we plan to ask for $200 million in aid."

The White House decertified Colombia on 1 March due to the poor results in the struggle against the drug mafia, yet announced that technical and logistical assistance to Colombia in this field will not suffer. The "certification" law establishes that questioned countries will face a reduction in U.S. economic aid and will face U.S. vetoes at multilateral financial organizations such as the World Bank.

Medellin said that the mafias have redoubled their efforts to keep their foot in the international markets, despite Colombia's arrest of the most important drug trafficking bosses and the confiscation of airplanes and cocaine processing laboratories. The minister said that although Colombian authorities were able to capture six of the seven Cali cartel leaders, including the Rodriguez Orejuela brothers, "we must admit that the business remains active." He said that it is necessary to adopt new measures to face drug trafficking powers, such as the approval of a law that would stiffen the sentences of those who promote or finance drug trafficking operations.

The United States has criticized the legal benefits Colombian laws grant to drug bosses who surrender to justice. The United States recommends that Colombia resume its extradition policy as a means of guaranteeing that drug bosses will be punished according to the laws of that country.

Colombia: Armies Urged To Ignore U.S. Calls on Drug Fight

PA0704192696 Madrid EFE in Spanish 1811 GMT 7 Apr 96

[FBIS Translated Text] Santa Fe de Bogota, 7 Apr (EFE) — Major General Manuel Jose Bonett, Colombian Armed Forces inspector general, has advised Latin American armies that they "should not heed" the United States in its calls for them to enter the war on drug trafficking.

"We should not heed the United States. These calls signal more than just their hopes; they signal their intentions. The Colombian Army is neither legally nor technically equipped to fight drug trafficking activities.

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Furthermore, the police are already fighting them," Bonett stated. "Latin American armies must continue to carry out their duties of ensuring national sovereignty, constitutional order, and public security," the general added in an interview published in CAMBIO 16-COLOMBIA magazine.

Regarding U.S. requests that the Latin American armies be reduced, Bonett replied that "they should first reduce their own because it is growing every day." He added: "Reducing our military forces could make it easier for the United States to intervene in our territories."

The inspector general insisted that the armed forces would not be the "arbitrator" of the country's political crisis, stemming from charges that President Ernesto Samper was elected with drug trafficking money. "We are not the arbitrators of the problem. Even if the media insists that we make a pronouncement, we have a very clear mission: the defense of society and its resources," Bonett asserted.

Colombia: Antidrug Director Views Effects of U.S. Censure

PA0604155996 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1700 GMT 5 Apr 96

[FBIS Translated Text] National Counternarcotics Director Colonel Leonardo Gallego confirmed today that Colombia has secured 10 helicopters to help in its counternarcotics efforts. The helicopters are currently being fitted with armor in the United States. He described this as yet another example of U.S. cooperation with local authorities in the fight against drug trafficking. The officer said in Santa Fe de Bogota that the United States censuring Colombia on its counternarcotics efforts has not jeopardized the equipment assistance program. U.S. President Bill Clinton's government criticized this Andean country's counternarcotics efforts as insufficient. The criticism left Colombia open to a number of punitive actions, including a reduction in economic aid and a negative vote in its requests for loans from multilateral agencies. Gallego said the counternarcotics police have not felt the effects of the U.S. censure of the country's counternarcotics efforts. He added that there was no problem acquiring the 10 helicopters that are currently being fitted with armor in the United States.

Colombia: TV Coverage of Samper Trial Begins 9 Apr

PA0704004096 Madrid EFE in Spanish 2207 GMT 6 Apr 96

[FBIS Translated Text] Santa Fe de Bogota, 6 Apr (EFE) — Liberal Party [PL] Congressman Francisco Canosa announced today in Santa Fe de Bogota that the trial of Colombian President Ernesto Samper by Congress will be transmitted directly by one of the three national television channels beginning Tuesday [9 April].

Canosa said that the first transmission on the "Senal Colombia" channel will allow Colombians to follow a discussion regarding the need to expand coverage of the President's inquest.

Samper was interrogated on 27 March by the PL Congressman Heyne Mogollon, president of the Investigations and Accusations Committee of the Chamber of Representatives and until then, the only investigator of the president.

"The decision will be adopted publicly as established by law. That is why we will insist on expanding the investigation to allow other individuals to testify," Canosa told Radio Cadena Caracol (CARACOL).

The congressman is one of 15 members of the Investigation and Accusations Committee of the Chamber of Representatives who is investigating the charges that the president is responsible for the millions donated by the Cali cartel to the presidential election that swept him into power in 1994, which has kept the government in crisis for eight months.

On Monday, the committee will begin studying a petition filed against 12 of the committee's members by a lawyer who believes that they cannot investigate the president.

Canosa warned that if the petition is accepted, the Investigation and Accusation Committee will have to suspend the trial against Samper.

The opening to the public of the parliamentary investigation of the president was approved by Congress last month. It was begun by a government initiative.

However, the Senate and the Chamber of Representatives have introduced measures to maintain secrecy on the order and use of the evidence and the voting session.

Colombia: Congress President Responds to De la Calle

96SM0207A Santa Fe de Bogota EL TIEMPO in Spanish 4 Apr 96

[Letter from the President of the Congress, Julio Cesar Guerra Tulena, to Vice President Humberto de la Calle — received via Internet]

[FBIS Translated Text] The President of the Congress, Julio Cesar Guerra Tulena, wondered whether Vice President Humberto de la Calle Lombana's disapproval of early elections is not due more to fear that his name

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might not be included in the pack of candidates for the presidency of the republic, if the Congress should decide to hold the 1998 elections in advance. This assertion is contained in a letter sent by Guerra to the vice president and current ambassador to Spain.

"Esteemed Doctor De la Calle:

"Believe me, Doctor De la Calle, I am quite surprised to hear of your claim to the effect that I requested your resignation. That never happened (...). I did not call for your resignation. I simply stated aloud what I would be thinking if I were in your place. Therefore, I remarked: 'If I were in Doctor De la Calle's shoes, I would have come to Colombia to face the suit against President Samper, either in solidarity or without solidarity.'

"You declare that you consider the vice presidency a responsibility, rather than a distinction. You reiterate: 'I shall never evade the functions assigned to me by the Constitution, which I swore that I would discharge.'

"Frankly, Doctor De la Calle, I cannot understand, as I know millions of Colombians also do not understand, why, if you view the vice presidency as a responsibility, you have been absent at this crucial time for the republic. I criticize your silence, as it is criticized by millions of Colombians. I think that you, as President Samper's running mate, had an obligation to accompany him, not only in the government, but also at times of crisis (...).

"In your letter, Doctor De la Calle, you add that you do not approve of the calling of early presidential elections (...). In this regard, I wish to ask you whether your disapproval originates from the fact that you feel disqualified, and therefore fear that your name might not be included in the pack of candidates for the presidency of the republic in the event that the Congress, through a political amendment, decides to hold the 1998 elections in advance: as President Samper has proposed as one of the expedients for governability.

"You also claim that moving the elections ahead would require a national consensus which, in your words, does not exist at present. Doctor De la Calle, are you not committing a flagrant contradiction by making such a claim, when only five years ago, during President Gaviria's government, while you were serving as his interior minister, you resorted to the consensus expedient at secret meetings and discussions in the Palace, so as to be able to revoke the constitutional term of the Congress of the Republic at that time, through a National Constituent Assembly?

"Doctor De la Calle, let me also ask you how short-term a measure it was in 1991 to amend the Constitution of the Republic of Colombia solely to shorten the term of the National Congress (...).

"You defend the Constitution of 1991 with particular vehemence, invoking for this purpose the comment that it was prepared after a very broad national agreement. 'All of us prepared it,' you emphasize. So, a very timely question for this political occasion is fitting here: who comprised that 'all'? As I recall, the Constitution of 1991 was a whim of two movements that were called, in their time 'the tenacious M-19 [19 April Movement] and the Movement of National Salvation,' formed by the late Conservative leader, Alvaro Gomez Hurtado, and the ex-guerrilla fighter, Antonio Navarro Wolff. Now, when you talk about unnecessary secret meetings, you would do well to remember that, in 1991, that 'tenacious M-19 - National Salvation - Gaviria government' deceived the country, telling it that this would be the definitive panacea to be applied to our major national ailments. And now we find that the famous Constitution of 1991 has us experiencing the worst institutional crisis in our history.

"Finally, in bringing up the subject of a virtual candidacy, you, Doctor De la Calle, claim to like those stemming from democratic participation, because you maintain that candidacies should be produced by everyone, by those ordinary citizens traditionally excluded from the pacts and secret meetings. This comment, in fact, makes an impression, but is not convincing. Rather, on the contrary, it ends up creating even more confusion among that half of the country which (as EL TIEMPO says) hates you because you are not supporting the president, and the other half of the country, which is baffled because you have not come out in opposition to Samper.

"In this connection, I wonder what your fellow party members must be thinking now, when they learn that Doctor De la Calle can afford to discard the potential support for a virtual candidacy that might have been provided by that old political class that elected you vice president of Colombia. Its only sin has been to cooperate effectively in carrying forward the National Development Plan, which has as a social goal the redemption of the most needy (...)."

Colombia: Colonel Told Not To 'Disturb' Capos' Relatives

PA0604232396 Madrid EFE in Spanish 2209 GMT 6 Apr 96

[FBIS Translated Text] Santa Fe de Bogota, 6 Apr (EFE) — Colonel Carlos Alfonso Velasquez, former commander of the elite forces organized to search for and capture Cali cartel members, has said that in 1994

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the government asked him not to "disturb" the kingpins' relatives during the operations against Cali cartel capos.

Velasquez made these remarks two weeks ago to the prosecutors who drew up a gigantic case against the drug traffickers' for financial participation in the country's electoral campaigns.

The fundamental portions of Velasquez' judicial testimony were revealed today by the Santa Fe de Bogota media.

Velasquez, who holds the position of second Army commander in the banana-producing zone of Uraba, said the request was transmitted to him by General Jesus Maria Vergara, at the time military commander in the country's southeastern region.

Velasquez added that, in turn, Vergara had received the request from Carlos Holmes Trujillo, current ambassador to the OAS, who at the time was adviser to now President Ernesto Samper on peace affairs.

According to the media, Velasquez said: "Holmes Trujillo had expressed to Vergara the government's desire that we did not want to disturb the top drug traffic kingpins' relatives."

The Prosecutor General's Office has summoned the former commander of the elite forces, which have either captured or pressured into surrendering six of the seven Cali cartel kingpins, to clarify a remark by former Defense Minister Fernando Botero, who reportedly said that the government some times hindered the actions against those drug traffic kingpins.

Botero, who has being held in a military garrison since he was arrested in August for his involvement in the "narcoscandal," has also said that the government took up the struggle against drug traffickers as direct actions against the kingpins, not against their relatives.

Colombia: Bishops' Leader Views Drug Funds in Campaign

PA0404170596 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1700 GMT 2 Apr 96

[Report by Guillermo Rodriguez; from "The Midday" Newscast — passages within quotation marks are recorded]

[FBIS Translated Text] The controversy that arose from statements made by the Bucaramanga bishop increased today.

Monsignor Pedro Rubiano, president of the Colombian Bishops Conference, decided to support the pronouncement made by the Bucaramanga bishop, but he also decided to make additional comments that will certainly cause more political controversy. We have a report by Guillermo Rodriguez.

Monsignor Pedro Rubiano, president of the Colombian Bishops Conference and archbishop of Santa Fe de Bogota, spoke clearly, bluntly, and firmly. According to the archbishop, there were drug trafficking funds in the election campaign that took Ernesto Samper to the Presidency.

The Santa Fe de Bogota archbishop is urging that the vice president of the Republic be sworn in in accordance with the Constitution, as stipulated by our Magna Carta, if the decision is constitutionally made that the president of the Republic is required to step down from office.

The Santa Fe de Bogota archbishop and president of the Colombian Bishops Conference have decided to fully support recent statements made by Monsignor Dario Castrillon, who has launched serious accusations against a sector of the political class. Despite having toned down his statements by saying it is impossible to blame all legislators, he still has called for the purging of Congress because of the need for this institution, which has no credibility whatsoever, to recover it.

On the issue of rescheduling the elections for an earlier date and the presence of the vice president as head of state if necessary, the archbishop said:

[Rubiano, in progress] "...that is what the Magna Carta stipulates if the presence of the vice president is required. There are other options contemplated if the vice president is unable to occupy the position. Most logically, when there is talk of rescheduling elections, we also must be realistic and start asking ourselves when these will take place."

On the issue of illegal funds in the election campaign, the archbishop today spoke much more bluntly and said:

[Rubiano] "Most logically, there should have been due process. There is also a national conscience to take into account. Regardless of which way the verdicts may lean, I believe the country is convinced there were drug trafficking funds in President Samper's election campaign; in other words, that is a fact that cannot be cloaked. How can something as serious as that.... [pauses] The official who was the Venezuelan ambassador in Colombia up until a few days ago, who is back in his country now, and who, by the way, is under no diplomatic restraint and obligations.... [pauses]. He is saying there were illegal funds in the campaign. The Colombian people are not saying and repeating it. We only have to open the newspapers every morning and listen to you reporters on television, and then we are in this permanent [words indistinct] that there were drug trafficking funds."

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The Santa Fe de Bogota archbishop called for a final decision on so-called Case 8000 and said it has been dragging on for too long. He also spoke about due process and stated that justice [word indistinct] is what Colombia requires.

According to Monsignor Rubiano, bishops tend to speak to concrete individuals, not to angels. He added:

[Rubiano, in progress] "...cannot set aside ethical principles. Faith must encourage the choices being made by the individual, especially those being made by politicians due to their obligation to search for common good."

Monsignor Rubiano said we cannot hide the sun with our hands, there are moral values that are distorted, and it is urgent for us to rebuild these values.

He added that what Monsignor Dario Castrillon stated in Bucaramanga is exactly what the church has been saying through its encyclicals for the past 30 years, as is also stipulated in the Constitution.

Colombia: Judge Acquits Alleged Medellin Cartel Member

PA0604204996 Madrid EFE in Spanish 1722 GMT 6 Apr 96

[FBIS Translated Text] Santa Fe de Bogota, 6 Apr (EFE) — Jose Guillermo Gallon Henao, allegedly one of the last remaining members of the Medellin drug cartel, has been acquitted on drug trafficking and illegal enrichment charges and released from custody. EL ESPECTADOR reported today that Gallon was acquitted for lack of evidence.

Gallon, who was also involved in the events that left international soccer star Andres Escobar dead in 1994, has been in prison on the orders of the Prosecutor General's Office for approximately two years.

The prosecution presented a number of recordings of tapped telephone conversations as evidence of Gallon's involvevment in drug trafficking activities. However, the newspaper reports that the "faceless judge" (he is anonymous to avoid retaliation) called to the defendant's trial considered the evidence inconclusive and leaving doubts as to Gallon's guilt. The National Tribunal backed the judge's ruling and ordered the return of property seized from Gallon.

"They were unable to find any trace of the drug despite the many raids and much testimony and intelligence (information) work," the Second Court ruling states. It adds that this, coupled with the fact that "the defendant never admitted to the crime," suggests that "the crime was not planned."

The National Tribunal warned that the transcripts of the telephone taps on which the prosecution based its case against Gallon "could leave doubt and generate heresay but, in no case, would they establish the simplest doubt on several of the commercial activities carried out by Jose Guillermo Gallon."

The high tribunal concluded: "The ruling must be in favor of the defendant's freedom as long as there is any doubt as to his guilt."

Colombia: Coca Growers Said To Rent Farms To Obtain Loans

PA0404184596 Santa Fe de Bogota EL TIEMPO in Spanish 3 Apr 96

[Report by Wiston Gonzalez Del Rio from Villavicenio — received via Internet]

[FBIS Translated Text] Potential farmers and coca growers have been renting small farms to illegally "hunt" for loans from the National Alternative Development Plan (Plante).

Once they rented the estates, the "hunters" proceeded to register them at the Agrarian Fund offices. Plante officials would inspect the property and order the loan disbursement.

The "hunters" would disappear once the loan, which fluctuated between one and 14 million pesos, was granted. The surprise came when the inspectors returned to make the routine follow-up on the use given to resources and found the real proprietors of the farms.

Because of such cases, Plante authorities officially announced yesterday, that they had decided to suspend loans in the entire country until further notice.

Guaviare Governor Eduardo Florez Espinosa has asserted that several people made ill-use of the credits, and the situation has forced them to adopt this measure.

"The inconvenience to people who are really complying, which are the majority, will be a problem," Florez stated. The governor, however, admitted that the suspension was necessary, and said he was confident that the disbursements will be renewed promptly.

The credit suspension came as a bitter surprise to the Meta Department residents because not one of the 500 loan requests, which started to be processed in October 1995, had been disbursed.

"There are people who say the only thing they can do is continue to grow more coca because it is the only means of subsistence in this municipality," Libardo Vera, president of the Community Action Council in Alto San

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Vicente, jurisdiction of the Puerto Rico municipality, stated.

Daniel Vargas, a farmer in the area, said that when he found out about the Plante loans he sold his cows to have five hectares plowed because he wanted to plant with the money he obtained from the loan. Now he has no cattle, a plowed field, and nothing to plant.

"The climate that prevails is somber because the community in general was quite enthused with this project," Luis Alfonso Suarez, inspector in La Lindosa, a rural area in Puerto Rico, asserted.

Agrarian Fund Manager Arnoldo Bravo has "earnestly" requested to the national authorities that the loans, which fluctuate from 1 to 14 million pesos, be renewed as soon as possible.

Local authorities are looking for a solution to the problem. Puerto Rico municipal councilman Henry Gomez has reported that the Sierra de La Macarena Municipal Council Association is requesting a meeting with President Ernesto Samper Pizano for 8 and 9 April.

Likewise, the municipal council persons of Alto Ariari and Bajo Ariari will meet with Agriculture Minister Cecilia Lopez Montano at the Jose Eustacio Rivera Culture House on 26 April.

Colombia: Security Council Discusses Uraba Public Order

PA0404195096 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1700 GMT 4 Apr 96

[Report by Luis Alberto Mogollon; from "The Midday Newscast"]

[FBIS Translated Text] Medellin — The mayor of Apartado, Gloria Isabel Cuartas Montoya, is heading a Security Council meeting to discuss the situation of public order in that municipality. A massacre last night was added to recent violent deaths in Uraba, particularly in Apartado, the region's most populated municipality. Eight adults and two minors were killed last night in a billiard center and surrounding areas.

Also participating in the Security Council meeting are Major General Ivan Ramirez Quintero, commander of the Army's 1st Division, members of the Political Council of the municipal administration, and members of the police forces in this part of Antioquia Department.

The municipal government has expressed its sadness and deplored last night's indiscriminate killings, which were described as a vandalistic and demential action carried out by criminals who have no respect for life and human rights.

Meanwhile, the Communist Party has accused paramilitary groups of being responsible for the massacres carried out at the El Golazo Billiard Center in Apartado and has announced that it has already identified the individuals who are allegedly responsible.

One of the victims will be buried this afternoon at 1400 in Apartado.

Colombia: Possible UN Office on Human Rights Welcomed

PA0404193396 Santa Fe de Bogota EL TIEMPO in Spanish 2 Apr 96

[Received via Internet]

[FBIS Translated Text] The government and nongovernment organizations (NGO's) have welcomed the possibility of the United Nations installing a permanent office in Colombia under the leadership of the UN High Commissioner for Human Rights.

The main reason for this acceptance was the remark by Jose Ayala Lasso, UN high commissioner for human rights, that he did not want to set up a mere decorative office but, rather, one "with teeth."

The NGO's were quite pleased with this initiative but made the government meditate on it basically because the government believes the processing and receiving of complaints might infringe on jurisdictions that do not fall under this office.

The government has embraced this initiative, because it had proposed it a while ago. At the same time, the NGO's believe the possibility of appointing a special rapporteur, a more drastic UN measure, has gone up in smoke due to this initiative.

The NGO's maintain that whereas the installation of the UN Commissioner's Office is a negotiation between Ayala Lasso and the government, the rapporteur is a means voted on by 53 states.

EL TIEMPO has already consulted Carlos Vicente de Roux, presidential human rights adviser, the Colombian Commission of Jurists, the Commission of Political Prisoners, and the Permanent Committee for the Defense of Human Rights on this subject.

Colombia: 'Crisis' With Treasury, Public Spending Viewed

PA0404174496 Santa Fe de Bogota EL ESPECTADOR in Spanish 31 Mar 96 p A8

[Article by Efrain Pachon O.]

[FBIS Translated Text] The crisis at the treasury is an explosive mix of wasteful spending, dishonesty, and

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inefficiency. That is how an insensitive, vicious circle has been created where the administration cannot exert pressure on tax payers because of its corrupt and poor performance. The people in turn dodge their obligations because they lack faith in the administration.

The national budget is a clear example of this chaos. The bureaucracy uses more than 50 percent of the available funds in operating expenditures. Of the total budget, 25 percent is earmarked to pay the debt, both domestic and foreign, and a residual 24 percent is earmarked for investments, the effective source of wealth and productive employment.

Military Expenditures, Like a Shot

By studying the preliminary progress of the Public Expenditures Commission, the more serious problems were detected in the justice, defense, and security systems. Even though military spending has risen by 417 percent over the past five years, Colombia still has a high crime rate, and the guerrillas are constantly gaining additional ground.

While the outlays for defense and security totaled 423 billion pesos in 1990, they reached 2.19 trillion pesos in 1995. After representing close to 2.09 percent of the GNP, they rose to 3.4 percent of the GNP and have the tendency to rise once the transfers are made.

Faceless Results

Another side of public expenditures experiencing a chaotic situation is the justice system. Experts from the Public Expenditures Commission insist that the Colombian people have a clear reason here to worry and a valid one to insist on concrete results in the field.

The results in the justice system are not in keeping with the enormous fiscal effort made to strengthen it. While the 1990 expenditures on justice represented 0.6 percent of the GNP and its share of the total budget was 5.4 percent, the two figures have grown in 1996 to 1 percent and 5.8 percent, respectively.

The public debt situation is becoming complicated, particularly the domestic debt, which is becoming a heavier burden on the nation's general budget. As a percentage of expenditures, the servicing of these obligations takes up more than 24 percent of the budget, and interest payments alone take up 12 percent. Even though the foreign debt situation alone is still manageable, it becomes a heavy burden for the public finances when combined.

Because cutting expenditures has carried a high political cost to all past administrations, these have preferred to reach out to tax payers' pockets.

The figures reveal the following: Tax revenues have gone from 9.9 percent of the GNP in 1985 to 14 percent in 1996.

Conclusion: There is no clear-cut sense of what is public patrimony in Colombia. Individual interests and those of special interest groups tend to prevail. This exerts an enormous pressure on the availability of limited funds, and the rest of society pays the price.

Peru

Peru: Pandolfi: Economic Reform To Continue

96SM0209A Lima LA REPUBLICA in Spanish 4 Apr 96

[Received via Internet]

[FBIS Translated Text] Alberto Pandolfi Arbufu, the new prime minister and minister of fisheries, declared yesterday that the cabinet he heads "will emphasize" structural reforms in all areas of government.

He also revealed that this reordering of priorities does not mean a cut in the funding of social assistance programs but rather—in general terms—a reduction in the general budget of the Republic.

"An effort will be made to maintain the budget," Pandolfi said, "but only within the bounds of our possibilities."

Visibly nervous as he made his statement to the press only minutes after being sworn in as prime minister and minister of fisheries, Pandolfi also spoke of the possibility of submitting the privatization of Petroperu [State Petroleum Agency] to a referendum.

"I believe that it is a budgetary matter," he said, "but in any case we shall follow whatever guidelines are established by the Congress of the Republic."

A television reporter then asked him a direct question. "But do you agree that a referendum on this matter should be held?" she asked.

"Always provided that the guidelines of Congress are followed. We shall see what happens later," was Pandolfi's curt response.

Pandolfi—who until recently was chairman of the board of Petroperu and chairman of the Special Committee on Privatization of that state energy complex—specifically stated that he, however, personally favored the privatization.

"Some groups are doing harm," he explained, "by trying to frighten away investors who want to invest in the hydrocarbons sector and in many other sectors."

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"President Fujimori," he continued, "has deemed it advisable to make this change in the governmental team for the purpose of giving a fresh start to the administration's program."

"Then are we not talking about a failure?" another reporter asked.

"Not necessarily," Pandolfi replied. "It is recognized, however, that there may have been a slowdown following a period in which the privatizations went forward very rapidly and then entered a phase—which I believe was intentional—with the aim of reviewing the results and resuming the various structural changes, as for example the privatizations."

Pandolfi said he was sure that the ministers in whom confidence has been renewed—together with the new professionals that he and the Chief Executive have brought into the administration—will inaugurate a new period of "successes."

"We shall follow the same course, under the guidance of President Fujimori," he said confidently.

In light of President Fujimori's haste to proceed with this cabinet change, Pandolfi acknowledged that no decision had yet been reached as to the professionals who would be named to the two cabinet posts that remained vacant yesterday: education and public health.

"The names of these appointees will be announced early next week," he said.

Referring to the statements of Jaime Yoshiyama concerning the need to make adjustments in government spending, Pandolfi declared that "great efforts are being made in connection with this important aspect."

"But it is a continuing effort that the government has been making, especially as it relates to the Ministry of Economy," he said.

He maintained that the budgets for social projects will not be touched, "because they have been adapted to the general budget. In other words," he said, "those projects for which provision has already been made will be continued."

As for the anxiety of the press with respect to the anticipated severity of the penalties that will be imposed on tax evaders, he said that "although I cannot tell you anything more until the announcement is made, I can say that these penalties are intended to improve tax collections."

Continuing on the economic theme, Pandolfi explained that "although the process of cooling down the economy has had a dispiriting effect, it has also been necessary."

"What I can say," he added, "is that a little calm is in order, because there is every indication that Peru is making progress."

Pandolfi also spoke of the appointment of Jorge Gonzales Izquierdo to head the Ministry of Labor.

[Box]

Two Women in the Cabinet

President Alberto Fujimori yesterday reorganized his cabinet, appointing five professionals—including one woman—to head, respectively, the Ministries of Fisheries, Agriculture, Energy and Mines, Labor, and Transportation.

Alberto Pandolfi, a prestigious mechanical engineer, was sworn in as prime minister and minister of fisheries in replacement of Dante Cordova, the former education minister.

Elsa Carrera, a member of the Lima municipal council, was appointed to head the Ministry of Transportation, Communications, Housing, and Construction; and Rodolfo Munante Sanguinetti to head the Ministry of Agriculture.

Daniel Hokama Tokashiki was appointed for the second time as minister of energy and mines—a post from which he had resigned exactly one year ago for reasons of health and other personal reasons.

The surprise appointment to this cabinet was Jorge Gonzales Izquierdo, dean of the School of Economics and professor at the University of the Pacific, who in a number of statements had criticized the current governmental program.

The swearing-in ceremony was held—as is traditional—in the Golden Hall with the attendance of a select number of invited guests, including Attorney General Blanca Nelida Colan, Supreme Court President Moises Pantoja, Controller of the Republic Enrique Caso Lay, and U.S. Ambassador Alvin Adams.

The only cabinet posts that remained vacant were the Ministries of Education and Public Health, who will reportedly be appointed early next week.

The change that attracted the most attention was the replacement of the man who until yesterday was the minister of agriculture, Absalon Vasquez, who had been with President Fujimori ever since the formation of the first Fujimori cabinet in 1990.

Other appointments were: Liliana Canale Novella, as minister of industry, tourism, integration, and commerce; EP [Peruvian Army] General Juan Briones

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Davila as minister of the interior; and Carlos Hermoza Moya as minister of justice and worship.

Peru: Opposition Leaders Denounce New Cabinet

96SM0209B Lima LA REPUBLICA in Spanish 4 Apr 96

[Received via Internet]

[FBIS Translated Text] Opposition members of Congress said last night that the Pandolfi cabinet will yield to the International Monetary Fund; reduce government spending and thereby throw more workers into the street, in order to pay the foreign debt; and push the privatization of enterprises such as Petroperu [State Petroleum Agency] in opposition to the interests of the people, with the inevitable aftermath of unemployment, hunger, and disease. His colleagues in the government, of course, have showered him with praise. The following are statements made by these opposition members of Congress:

1. Javier Diez Canseco, IU [United Left]: It is a pro-IMF cabinet that will stiffen the present economic policies; drastically reduce government spending; freeze employment in the public sector; reduce exports; and push the privatizations at any cost, to pay the foreign debt. The Pandolfi cabinet will of course oppose the referendum whereby our fellow Peruvians would properly exercise the right to decide Petroperu's fate.

2. Anel Townsend, UPP [Union of the Peruvian People]: It is a cabinet that will clearly strengthen the government's privatization model, in opposition to what the people are requesting. Let us hope that the cabinet changes will actually serve to create jobs, improve the starvation wages, and increase the miserly pensions of retirees.

3. Jorge del Castillo, APRA [American Popular Revolutionary Alliance]: This is a cabinet of undistinguished individuals that will reaffirm the neoliberal policy, which is contrary to the interests of the people and will result in more hunger, more unemployment, more tuberculosis, and more common crime as a result of the job shortage.

4. Henry Pease, UPP: The cabinet reorganization signifies an intensification of the IMF policies. The appointment of Alberto Pandolfi as prime minister will almost certainly mean that priority will be given to the privatizations, which in turn will mean that thousands of Peruvian workers will be thrown into the streets, with the consequent aftermath of hunger and disease.

5. Antero Flores Araoz, PPC [Popular Christian Party]: I hope this cabinet will be successful. I hope it will exercise discipline in government spending. The flareups of inflation and the imbalances in the balance of payments were the result of the support that the executive branch gave to the reelection campaign of President Alberto Fujimori and to the municipal election campaign of the defeated candidate Jaime Yoshiyama. Peru needs to increase its production; today it is a nation of street vendors, not of producers.

6. Carlos Torres y Torres Lara, NM-C90 [New Majority-Change 90]: Congress will support the new cabinet team at all times. The cabinet reorganization means a fresh start for the economic and social program, the consolidation of privatization, and job creation.

7. Oswaldo Sandoval, NM-C90: The cabinet reorganization is clear-cut. Under the new cabinet, the privatization of state enterprises will be ensured and will go forward unhesitatingly. This is a good opportunity to give a fresh start to the government's economic program. The new cabinet team has ideas that are sound and unified.

8. Roger Caceres Velasquez, FNTC [National Front of Workers and Peasants]: The cabinet reorganization was unexpected. Many observers believe it was done purely and simply in response to an urgent request from the IMF.

9. Carlos Blanco, NM-C90: What is important is the return of Daniel Hokama, who will once again contribute his knowledge and experience. It means that the case of the rich Camisea gas deposits will be handled with greater professionalism. With Pandolfi as prime minister, the privatization process will be speeded up. The retention of Jorge Camet as minister of economy serves to consolidate the orientation of the economic program.

[Box]

Who's Who in the New Cabinet; the Prime Minister Represents the Privatizers

Without any surprises where the most prominent ministers are concerned but with the incorporation into the cabinet of technocrats who have had little political experience, President Alberto Fujimori yesterday put an end to the cabinent crisis that had been caused by the resignation of former Prime Minister Dante Cordova.

Of the five ministers who last night donned the bicolor sash, the prime minister and minister of fisheries, Alberto Pandolfi Arbulu, and the reappointed minister of energy and mines, Daniel Hokama Tokashiki, are reportedly members of the faction headed by Minister of the Presidency Jaime Yoshiyama.

Agriculture Minister Rodolfo Munante Sanguinetti, however, is the spokesman of the so-called "Mo-

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lineros," with whom the president became acquainted when he was a student and professor at the National Agricultural University of La Molina.

The engineer Elsa Carrera—who replaces another "Molinero," Manuel Vara Ochoa, as minister of transportation, communications, housing, and construction—became associated with the government through former First Lady Susana Higuchi until she struck out on her own as head of the National Education and Health Infrastructure (INFES).

Pandolfi is a mechanical engineer and electrician who graduated from the UNI [National Engineering University]; received a master's degree from the ESAN [School of Business Administration]; and specialized in the fields of steel and cement in Germany and Switzerland, where he engaged in professional activities.

During the military government Pandolfi was general manager of Lima Cements [Cementos Lima] and subsequently served as manager of Andean Cement, Southern Cement, Yura Cements and North Pacasmayo Cement [Cemento Andino, Cemento Sur, Cementos Yura, and Cementos Norte Pacasmayo], after which he became chairman of the committees for the privatization of the two last-named enterprises.

In October 1995 he was appointed president of Petroperu and chairman of its Special Committee on Privatization.

Daniel Hokama is also a mechanical engineer and electrician who—like Pandolfi—is a graduate of the UNI, but he began his professional career in the General Directorate of Electricity and later headed the Project Division of the MEM [Ministry of Energy and Mines].

Hokama worked in the Centromin [Central Mining Enterprise] state enterprise; served as manager of the Yuncan electrical enterprise; was a private consultant; served as deputy minister of energy; and became minister of energy and mines in 1992.

He resigned as energy and mines minister in 1995 because of health problems, from which he has reportedly recovered.

The new head of the Ministry of Agriculture is Rodolfo Munante Sanguinetti, an agricultural engineer who graduated from the Agricultural University and did postgraduate work in Italy, Great Britain, and Israel.

Like Fujimori, he was a professor at the Agricultural University and during the Fujimori administration served as a member of the board of directors of Foncodes [National Compensation and Social Development Fund]. His cabinet appointment came as a surprise while he was serving as president of the National Food Assistance Program (PRONAA), whose offices are on Pizarro Square adjoining the Government Palace.

The four-part Ministry of Transportation, Communications, Housing, and Construction has been headed since yesterday by Elsa Carrera de Escalante.

Elsa Carrera is a civil engineer and UNI graduate whose specializations are structures and bridges. She served as president of the National Training Service for the Construction Industry (Sencico) and Infes [National Education and Health Infrastructure Institute], where she carried out the program of school construction that became Fujimori's preferred program.

She taught as a professor at Catholic University, Villareal University, and the UNI; was a member of the board of directors of Aeroperu [Peruvian State Airlines] and Andina; and is currently a member of the Lima municipal council.

The economist Jorge Gonzales Izquierda will this morning assume the post of minister of labor and social advancement, following a prestigious professional and academic career.

Gonzales is a graduate of the University of the Pacific who did postgraduate work in Chile and at the University of Chicago and subsequently served as professor and dean of the School of Economics at the University of the Pacific.

He was twice elected dean of the Society of Economists of Lima, served as vice president of the Andean Development Corporation, and was deputy minister of Integration.

Gonzales was also director of the firm Pesquer Austral and president of the El Roble AFP [Pension Fund Managing Company]. He is the author of three books.

Venezuela

Venezuela: Minister Links Explosions, Destabilization

PA0404235496 Caracas EL NACIONAL in Spanish 2 Apr 96 p D3

[FBIS Translated Text] Interior Minister Jose Guillermo Andueza has confirmed the arrest of two suspected perpetrators of the explosions of loudspeakers at several subway stations in Caracas last week and the searches conducted over the weekend by the Disip [Directorate of Intelligence and Prevention Services], to find other suspects in the manufacturing of these devices.

Andueza confirmed that among the prisoners, the Sucre Municipality Police arrested a person on the scene.

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Charges against this person are already being prepared to submit them to the corresponding courts.

Andueza refused to comment on the home searches, arguing that "the Disip and the state security organizations are just conducting a regular investigation and adopting regular measures."

[EL NACIONAL] Do you believe this is an unimportant action or, on the contrary, should it be considered seriously?

[Andueza] I believe this is further proof that there are groups trying to destabilize the country, and this is not the government's fabrication, as some people have argued. These are obvious signs that something is brewing.

[EL NACIONAL] Do you confirm that financial groups are behind all this?

[Andueza] I have said that before and I reiterate it, because I believe these actions require substantial financing, and this cannot be provided by ordinary citizens.

Andueza has contended that the aggression by these groups has several fronts and pointed out that this campaign does not only involve an economic war, but also a psychological war. This is one of the most important points, because their intention is to create uncertainty among the population with the explosion of loudspeakers.

Concerning the costs this might entail for the government, the extradition of bankers and the benefits granted by the General Banking Law, which allows the release on bail and the submission to trial, he said that these are exclusively banking crimes. However, if these crimes are embodied in the Law of Protection of Public Property, then the said defendants will not be entitled to these legal privileges.

Venezuela: Caldera Approves Military Officer Promotions

PA0504005296 Caracas EL NACIONAL in Spanish 3 Apr 96 p D4

[Report by Rafael Nunez]

[FBIS Translated Text] Regarding the military promotions that will take place in July, President Rafael Caldera, in agreement with Defense Minister General Moises Orozco Graterol, has approved the appointments of new brigadier generals, rear admirals, colonels, and captains.

Upon leaving the presidential office, the military chief reported that the appointments of 10 brigadier generals and 43 colonels were approved for the Army; four rear admirals and 20 captains, for the Navy; four brigadier generals and 15 colonels, for the Air Force; and four brigadier generals and 38 colonels, for the National Guard.

Orozco also agreed to talk about certain published reports on the supposed existence of a $2 million reward being offered by Colombian guerrillas for his head. In this regard, he said that these rebel groups are attempting to destabilize the actions of the Armed Forces, which are trying to prevent such crimes as drug trafficking, poppy growing, and kidnapping, among others, from taking place at the border.

After downplaying this report, Minister Orozco explained that he will never let himself be intimidated or scared, but that, on the contrary, he will continue to fight at the border, as the FAN [National Armed Forces] have done so far, to achieve peace and tranquility for its residents.

He praised the cooperation cattlemen living in border regions have given to military intelligence that enabled them to act immediately and thwart kidnappings, as was the case in Apure, where an operation was carried out to capture four individuals.

As for the detection of C-4 explosives, which were seized during raids conducted in the city to search for those responsible for the pipe bombs planted on 28 March at several subway stations, Gen. Orozco pointed out that he is unaware of the information, but that, in any case, the DISIP [Directorate of Intelligence and Prevention Services] is responsible for the investigations, because this security body was the one that handled the case.

In his opinion, he does not believe that these groups used C-4 explosives to make these pipe bombs, because these explosives have a high intensity that is not warranted in this case. These devices are usually made by using black gunpowder, which is a low-intensity explosive, used to cause a little bit of panic and to spread such materials as documents and paper.

Venezuela: Colombia Requests Postponement of Border Talks

PA0504011996 Caracas EL UNIVERSAL in Spanish 3 Apr 96 p 1-8

[Article by Clodovaldo Hernandez]

[FBIS Translated Text] Caracas — Colombia proposed a new postponement of a meeting scheduled for 16, 17, and 18 April in Cucuta to discuss the key border issues affecting relations between the two countries.

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